



5 / S



San Francisco Public Library

Government Information Center
San Francisco Public Library
100 Larkin Street, 5th Floor
San Francisco, CA 94102

ENTER
LIBRARY

REFERENCE BOOK

Not to be taken from the library

DOCUMENTS DEPARTMENT

JUN 30 1978

SAN FRANCISCO PUBLIC LIBRARY



3 1223 90187 4835

SAN FRANCISCO PUBLIC LIBRARY




3 1223 90190 1893

SAN FRANCISCO PUBLIC LIBRARY



3 1223 90190 1901



Digitized by the Internet Archive
in 2012 with funding from
California State Library Califa/LSTA Grant

<http://archive.org/details/1reporttomayor525361sanf>

OCT 13 1953

DOCUMENTS DEPT.
SAN FRANCISCO
PUBLIC LIBRARY

D
REF
352.5
Sa 527a
1952-53

R E P O R T

to
JUNE 1961

T O

M A Y O R E L M E R E. R O B I N S O N

FOR THE FISCAL YEAR 1952-53

REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO

Dr. J. Joseph Hayes, Chairman
Lawrence Palacios, Vice Chairman Paul T. O'Dowd
Alden Ames James E. Stratten

James E. Lash, Director
M. C. Hermann, Secretary

1890

1891

1892

1893

1894

1895

1896

1897

1898

1899

1900

1901

1902

1903

1904

1905

1906

1907

1908

1909

1910

1911

1912

1913

1914

1915

REPORT TO MAYOR ELMER E. ROBINSON

FOR THE FISCAL YEAR 1952-53

The year ending June 30, 1953, saw San Francisco continue its leadership of the cities west of the Mississippi River in steady progress toward redevelopment of major blighted areas. The 28-block Western Addition slum clearance project was given two major public hearings and approved by the Board of Supervisors; the extremely difficult engineering work for the Diamond Heights project was started and completed; preparation of the detailed Final Plan for presentation to the Board of Supervisors reached an advanced stage for both projects; an allocation of Federal funds for both projects was obtained and a legal test of the constitutionality of the Community Redevelopment Law was instituted. The South of Market Redevelopment Area, different from the other two in that its future use will be for industrial and commercial purposes, was designated as a blighted area by the Board of Supervisors.

The Western Addition project area is bounded on the south roughly by Fddy and O'Farrell Streets and on the west, north and east by St. Joseph's Avenue, Post and Franklin Streets respectively. The Plan is keyed to the widening of Geary Street as a through-traffic expressway which will permit confining O'Farrell and Ellis Streets to slower local traffic and consolidating certain blocks into super blocks for a more modern pattern of residential development. The Plan calls for the demolition of approximately 80 per cent of the buildings in the area and the construction of over 2,000 new private dwelling units with appropriate private and public neighborhood

THE HISTORY OF THE

REIGN OF KING CHARLES THE FIRST

IN WHICH ARE CONTAINED THE
MOST IMPORTANT AND INTERESTING
CIRCUMSTANCES OF HIS REIGN
FROM HIS MARRIAGE TO HIS DEATH
BY JOHN BURNET
OF THE UNIVERSITY OF OXFORD
IN TWO VOLUMES
THE FIRST
LONDON: Printed by J. Sturges, at the Angel in St. Dunstons Church, 1724.

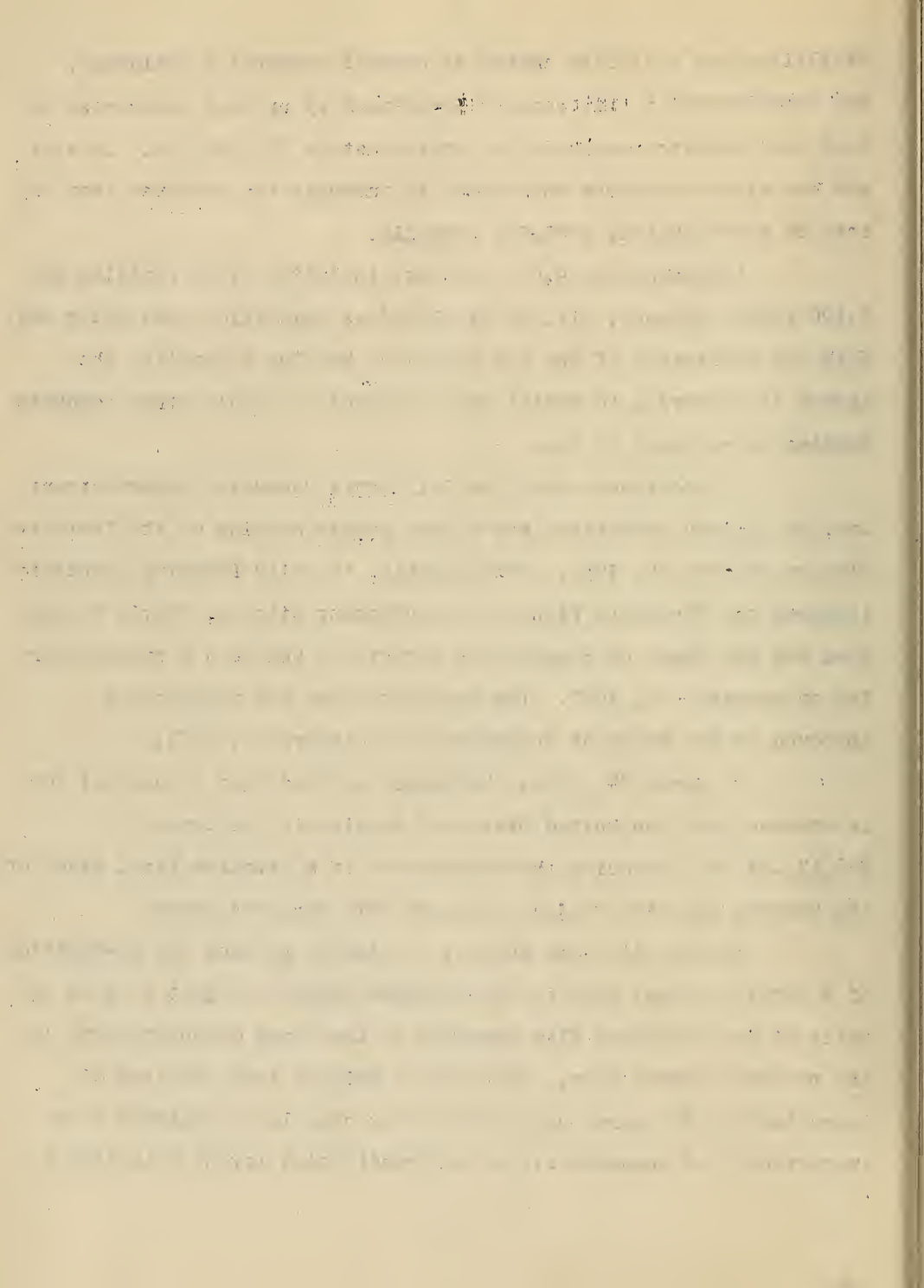
facilities and a limited amount of general commercial buildings. The reconstruction will require investment by private enterprise in land and buildings amounting to approximately \$30,000,000. It will add new assessed values sufficient to increase tax revenues from the area by approximately \$400,000 annually.

Approximately 9,600 persons, including 2,680 families and 2,100 single persons, will be displaced as demolition gets under way. With the assistance of the San Francisco Housing Authority, the Agency is preparing to assist these persons to obtain other adequate housing as required by law.

In accordance with the California Community Redevelopment Law, the Agency advertised and held a public hearing on the Tentative Plan on October 14, 1952. Subsequently, the City Planning Commission approved the Tentative Plan as in conformity with the City's Master Plan and the Board of Supervisors advertised and held a public hearing on December 15, 1952. The Tentative Plan was unanimously approved by the Board of Supervisors on January 26, 1953.

On March 24, 1953, the Agency entered into a Contract for an Advance with the United States of America in the sum of \$63,133.25 for financing the preparation of a detailed Final Plan for the Western Addition Project Area and this work was begun.

During this same period, the Agency pursued the preparation of a detailed Final Plan for the Diamond Heights Project Area on the basis of the Tentative Plan approved by the Board of Supervisors in the previous fiscal year. The Diamond Heights area consists of approximately 325 acres of predominantly open land, blighted by an impractical and unusable street and subdivision layout established



many years ago. It is located southeast of Twin Peaks and consists of the Glen Canyon and three hills bounded by Portola Drive and Flipper Street to the north, O'Shaughnessy Boulevard to the west and an irregular boundary along streets in the Glen Park area to the south and the upper Mission District to the east. The Plan for redevelopment calls for the construction of approximately 2,400 dwelling units on the hills, with a neighborhood center consisting of a small shopping area, a playground, a grammar school, a library and a community building. Glen Canyon is to be continued and further developed as a city-wide wilderness-type recreation area and a junior high school is contemplated in the upper end of the Canyon at the intersection of O'Shaughnessy Boulevard and Portola Drive. Private investment in land and construction according to the Plan will amount to approximately \$30,000.000, with a resulting tax increase to the City and County of approximately one-half million dollars annually.

The extremely difficult terrain of the Diamond Heights area and the completely new Plan for its development calls for very careful engineering of the streets, utilities, and grading necessary to make the land available for building purposes. To do this work, the Agency in October, 1952, contracted with the firm of Punnett, Parex and Hutchison in the amount of \$79,000. On October 31, 1952, the engineers delivered to the Agency 194 maps in completion of its contractual services.

Only six other cities in the United States are planning the redevelopment of predominantly open blighted lands. No other project being planned includes the very difficult problems of physical development nor the dramatic opportunities encountered in the Diamond

Heights area. The Agency's Plan for Diamond Heights has been distributed by a national professional organization to 130 other cities as an example of sound planning and the Plan has brought further recognition to San Francisco in articles in architectural and engineering magazines.

The total sum for the Final Planning of the Diamond Heights area under a Contract between the Agency and the United States of America is \$189,335.00.

In addition to the Final Planning Advances made to the Western Addition and Diamond Heights Projects by the Federal Government, on May 13, 1953, the Federal Government executed and forwarded to the Agency Loan and Grant Contracts for the two projects providing for loans of \$21,071,000, and Capital Grants of \$6,346,000. These Loan and Grant Contracts were based on estimates that the total cost to the Agency of making the land in Diamond Heights available for building will be \$5,049,000; the total return from the sale of the land will be \$4,715,000; and the Capital Grant required to cover the net project cost consequently will be \$334,000. For the Western Addition Project, it was estimated that the total cost would be \$16,022,000; the return from the sale of the land would be \$10,010,000 and the Capital Grant necessary to cover the net project cost would be \$6,012,000. These estimates will be refined and revised during the Final Planning stage as a result of more precise engineering, more thorough appraisals and further determinations by the Agency on many aspects of the project plans.

The Plans for the two areas have been so devised that the local financial contributions necessary to obtain Federal Capital

Grants to cover net project costs are to be made entirely through locally financed public improvements necessary to the projects. These consist of such site improvements as street widenings and improvements and utility installations and such supporting facilities as schools, playgrounds, libraries, and firehouses. They are to be financed out of State gasoline tax funds, annual appropriations, and bond issues. Some already have been undertaken, for others the bonds already have been authorized, still others depend on the passage of future bond issues and the making of future appropriations. All told, the locally financed public improvements in connection with the projects contemplate an expenditure of \$10,992,330 of which the portion directly creditable to the financing of the project areas as non-cash grants-in-aid is \$5,990,600.

In so planning that the required local expenditures would serve the dual purpose of providing necessary site improvements and supporting facilities and of establishing eligibility for Federal Capital Grants, the Agency has received excellent cooperation from the Honorable Elmer E. Robinson, the Board of Supervisors, and other officials, commissions and departments of the City and County.

By the end of the fiscal year the Agency was in a position with the Western Addition and Diamond Heights Projects to meet the major legal obstacle with which it has been confronted since it began. Because the constitutionality of the California Community Redevelopment Law has not previously been established in the courts and because those who must advance money to the projects would not do so until the Agency's legal authority to undertake the projects is fully established, the Agency's Chairman, Doctor J. Joseph Hayes,

took action to precipitate court action on the question of constitutionality. The Chairman refused to carry out the Agency's instructions to execute the Loan and Grant Contracts with the Federal Government. The Agency thereupon instructed its Counsel to petition the Supreme Court of California for a writ of mandamus to compel the Chairman to execute the Contracts.

In addition to the above described activities on the Diamond Heights and Western Addition Projects, the Agency on February 17, 1953, submitted a report to the Board of Supervisors recommending for designation as a blighted area a large section South of Market Street. The boundaries of the area so designated on April 1, 1953, are Mission, Sixth, Folsom, Hawthorne, Harrison, Second, Brannan, Third, Bryant, Sixth, Brannan, Seventh, Bryant, Eighth, Howard and Ninth Streets. Designation as a redevelopment area under the State law is for study purposes in order to determine if a project area is feasible. The Law provides that the Department of City Planning shall select the project area and prepare a Preliminary Plan for same in cooperation with the Redevelopment Agency.

For these activities during the fiscal year, the Agency has expended the following amounts of Federal funds:

Preliminary Contract for an Advance (covering all three areas)	\$ 54,511.57
Diamond Heights Contract for an Advance (covering preparation of the Final Redevelopment Plan)	123,800.04
Western Addition Contract for an Advance (covering preparation of the Final Redevelopment Plan)	12,110.07
Total Expenditures	\$190,421.68

...the ... of the ...
...the ... of the ...
...the ... of the ...
...the ... of the ...

...the ... of the ...
...the ... of the ...
...the ... of the ...
...the ... of the ...

...the ... of the ...
...the ... of the ...
...the ... of the ...
...the ... of the ...

...the ... of the ...
...the ... of the ...
...the ... of the ...
...the ... of the ...

...the ... of the ...
...the ... of the ...
...the ... of the ...
...the ... of the ...

...the ... of the ...
...the ... of the ...
...the ... of the ...
...the ... of the ...

In addition to the above Federal funds, the City and County of San Francisco appropriated \$2,200 to the Agency for the payment of fees to Agency Members for attendance at meetings at the rate of \$10 per meeting. Of this amount, \$2,000 was expended during the fiscal year.

At the end of the year, the Agency staff consisted of 16 persons. All of the Agency's funds are deposited with the Treasurer of the City and County and expenditures are made by warrants issued through the Controller's office. Audits of the Agency's accounts were made by Auditors of the Federal Housing and Home Finance Agency during August, 1952 and June, 1953. The City Attorney served as the Agency's Counsel on all legal matters except for Special Counsel William A. O'Brien, engaged by the Agency at the end of the fiscal year in connection with litigation to test the constitutionality of the Community Redevelopment Law. To represent him in this litigation, the Agency's Chairman employed Miss Rose M. Fanucchi as counsel.

On a contract basis, the Agency has employed professionals of the highest caliber. Already noted above are the services of Punnett, Parez and Hutchison, Civil Engineers, for the engineering of the Diamond Heights Project. Albert F. Roller, Architect, served the Agency as a consultant on both the Diamond Heights and Western Addition Projects. J. Mortimer Clark, Appraiser, was employed to make gross estimates of acquisition cost and re-use value for the Diamond Heights Project and also to provide real estate consultant services in connection with Diamond Heights.

Particular mention also should be made of the fine cooperation received by the Agency from the private utility companies

and the advice and counsel rendered by many professional and civic organizations and individuals interested in the benefits to San Francisco to be gained from the sound redevelopment of its blighted areas.

In spite of the steady progress noted above, there has been some public criticism that redevelopment in San Francisco has not yet reached the "bulldozer" stage. The Agency has found that much time-consuming effort must be expended before results on the ground can be shown. It, therefore, seems appropriate that an explanation of the Agency's progress, experience and problems be given.

Because redevelopment is still a new concept of the necessity of governmental activity in the economic and social life of our cities, and because of the private property rights and the human rights involved in the eradication of the old and obsolete and rejuvenation by the new and modern, the Legislature, in extending redevelopment powers to local agencies of government, was careful to provide detailed steps for the planning and approvals of duly constituted local governing bodies before a redevelopment project can be undertaken. Under the California Community Redevelopment Law there are ten major steps before a redevelopment agency is authorized to carry out the project. They are:

1. Area Designation - Supervisors
2. Project Preliminary Plan - Planning Commission
3. Project Tentative Plan - Redevelopment Agency
4. Public Hearing - Redevelopment Agency
5. Review - Planning Commission
6. Public Hearing - Supervisors

1860

1861

1862

1863

1864

1865

1866

1867

1868

1869

1870

1871

1872

1873

1874

1875

1876

1877

1878

1879

1880

1881

1882

1883

1884

1885

1886

1887

1888

1889

1890

1891

1892

1893

1894

1895

1896

1897

1898

1899

1900

1901

1902

1903

1904

1905

1906

1907

1908

1909

1910

1911

1912

1913

1914

1915

1916

1917

1918

1919

1920

1921

1922

1923

1924

1925

1926

1927

1928

1929

1930

1931

1932

1933

1934

1935

1936

1937

1938

1939

1940

1941

1942

1943

1944

1945

1946

1947

1948

1949

1950

1951

1952

1953

1954

1955

1956

1957

1958

1959

1960

1961

1962

1963

1964

1965

1966

1967

1968

1969

1970

1971

1972

1973

1974

1975

1976

1977

1978

1979

1980

1981

1982

1983

1984

1985

1986

1987

1988

1989

1990

1991

1992

1993

1994

1995

1996

1997

1998

1999

2000

2001

2002

2003

2004

2005

2006

2007

2008

2009

2010

2011

2012

2013

2014

2015

2016

2017

2018

2019

2020

2021

2022

2023

2024

2025

2026

2027

2028

2029

2030

2031

2032

2033

2034

2035

2036

2037

2038

2039

2040

2041

2042

2043

2044

2045

2046

2047

2048

2049

2050

2051

2052

2053

2054

2055

2056

2057

2058

2059

2060

2061

2062

2063

2064

2065

2066

2067

2068

2069

2070

2071

2072

2073

2074

2075

2076

2077

2078

2079

2080

2081

2082

2083

2084

2085

2086

2087

2088

2089

2090

2091

2092

2093

2094

2095

2096

2097

2098

2099

2100

7. Approval of Tentative Plan - Supervisors
8. Final Plan - Redevelopment Agency
9. Report and Recommendation - Planning Commission
10. Approval of Final Plan - Supervisors

These are followed in four major steps to carry out the project as follows:

11. Owner Participation Sign-up - Redevelopment Agency
12. Land Acquisition and Preparation - Redevelopment Agency
13. Land Disposition - Redevelopment Agency
14. Construction - Private Builders and Public Agencies

In California by June 1953, approximately a dozen cities had established redevelopment agencies. Several were established shortly after the San Francisco Redevelopment Agency. Of these two others have reached step 2 in the above schedule of steps, the others are in step 1. San Francisco is well along in step 8 on two large and dramatically significant projects of distinctly different types - Diamond Heights and the Western Addition, and at step 1 of another project of still another type - South of Market. No other city in California has held a public hearing on a redevelopment project. San Francisco has held five public hearings, some of which were continued for more than one meeting. Following these public hearings, the elected representatives of the people of San Francisco have unanimously approved the Plans as projected.

San Francisco's projects are large. They have been planned as large projects because this is the way redevelopment can effectuate the Master Plan for San Francisco - the way the City can be "redeveloped" instead of merely "rebuilt". They have been planned large

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

... ..

because those responsible for the planning have believed that this is the way redevelopment ultimately would be the most successful. Recent experience in at least two other cities demonstrates the wisdom of this concept. After preparing a preliminary project plan for a two-block project area, the City of Sacramento has abandoned those plans and started over again on an area several times this size. In Philadelphia, operating under a law which permits the redevelopment authority itself to construct a project for ultimate disposal to private interests, a small project has been completed with such unsatisfactory results that Philadelphia is planning its future projects on a much larger scale.

While the reasons for planning redevelopment projects on a large scale are sound, planning complexities are enormously increased by size. It would be foolhardy to rebuild without modernizing street patterns of a century ago. Yet the location of a street governs the location of utility lines, subdivision of the land and the location of structures, present and future, and a change in the street means a change in all that goes with it.

Planning redevelopment in accordance with the Master Plan, looking to the future instead of the past, involves many governmental entities. Others which have had to gear their own activities and plans to the Diamond Heights and Western Addition Redevelopment Projects include the Board of Supervisors; the Department of City Planning; the Department of Public Works; the San Francisco Unified School District; the Recreation and Park Department; the Real Estate Department; the Fire Department; the Police Department; the Library Department; the Department of Public Health; the City

Attorney's Office; the offices of the Chief Administrative Officer; the Controller and the Federal and State Legislative representatives; the Assessor's Office; the Art Commission; the Housing Authority; the Parking Authority; the Department of Electricity, and the Public Utilities Commission with its Municipal Railway, its Bureau of Heat, Light and Power, and its Water Department. Also very much involved in the redevelopment program is the Federal Housing Administration which insures mortgages for private residential building; the Pacific Gas and Electric Company; the Pacific Telephone and Telegraph Company, and many other public and private organizations. Altogether, several hundred officials and commissioners have had to consider and approve various aspects of the Diamond Heights and Western Addition Plans.

Although the cooperation of each of those mentioned above has been very gratifying, still each has many more demands for its services than it can meet and the adjustments necessary to schedule and finance construction and activities necessary to facilitate the redevelopment projects are time-consuming, as anyone familiar with Government operations well knows. All together it seems remarkable that the complex machinery of local Government has been focused to the point of agreement represented by the Diamond Heights and Western Addition Plans for redevelopment of those areas.

In the case of Diamond Heights in particular, few who have participated in the planning for the area have been able to anticipate the scope of the undertaking. Everyone of the professionals engaged by the Agency on a contract basis has reported to the Agency that the performance of the contract required a great deal more time and effort

than these men with their many years of experience in their fields estimated would be the case.

Another complicating factor which has been time-consuming is the planning for the local financing of the projects through non-cash grants-in-aid rather than cash. Those cities in the East, in which redevelopment progress is ahead of San Francisco, such as New York, Chicago, Detroit, Philadelphia and Baltimore, all are making substantial cash contributions to the redevelopment projects in order to obtain Federal Capital Grants. As explained above, the plans for redevelopment in San Francisco make dual use of local funds by paying for needed site improvements and public facilities and at the same time creating eligibility for Federal Capital Grants.

As noted above, the legal requirements leading to the undertaking of a redevelopment project are complex and precise. The basic law governing redevelopment projects in California is the Community Redevelopment Law. The use of Federal funds, however, means that the requirements of Title I of the Housing Act of 1949 also must be satisfied. In addition to these specifically applicable statutes, however, a wide complex of other State and local laws governs the fundamental changes in land uses, ownership and rights which a redevelopment project requires. The variety of methods of both public and private financing which redevelopment projects require also must be employed in strict accordance with applicable laws. Because redevelopment is a new undertaking for the cities of the Nation, because never before has a plan been prepared for a redevelopment project in California, the Agency and others involved in the planning job have repeatedly encountered situations never anticipated when either the

basic statutes or other applicable laws were formulated by the legislative bodies. Only by experience has the Agency realized the legal complexities of the challenge it has accepted. Those not so directly concerned could hardly be expected to do so.

Above all, San Franciscans should realize that no city in California could undertake redevelopment until the constitutionality of the legislative enactment of the Community Redevelopment Law is established by the judicial branch of government. In instigating a court test of constitutionality of this basic statute, San Francisco is serving the entire State toward keeping its cities the most modern in the Nation.

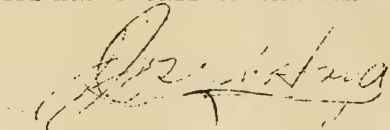
Experience here, including some criticism of slow progress, is common to redevelopment efforts throughout the Nation with rare exceptions. In city after city, redevelopment is progressing more slowly than had been hoped or anticipated by the advocates of State and Federal redevelopment legislation. Some cities have found the load so heavy that they are standing still. Others, some of them with programs well advanced, have given up for one reason or another. And yet, nationwide progress is such that a recent report issued by the Housing and Home Finance Agency of the United States Government stated that "six square miles have been marked out for early clearance and redevelopment, some of it already under way, in 92 projects in 64 communities throughout the country".

The future of redevelopment in San Francisco is bright. The projects planned will contribute enormously to this great city's economic and social well being as a place to live, work and play. The San Francisco Redevelopment Agency is grateful for the help and

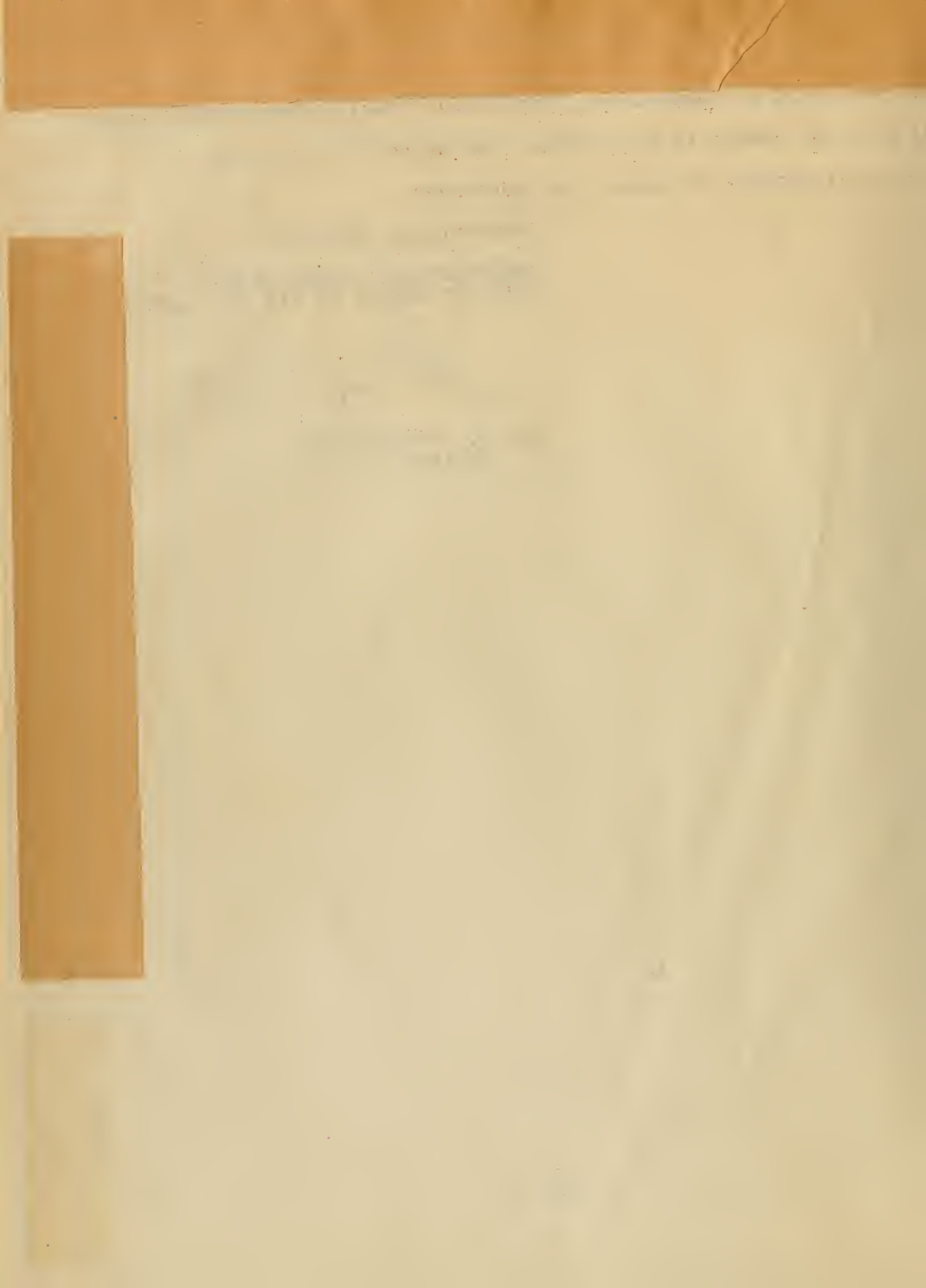
support it has received from its Honorable Mayor Elmer E. Robinson, from the Board of Supervisors, from local officials and commissioners and from the community as a whole. The Agency will continue its efforts vigorously to pursue its objectives.

Respectfully submitted,

REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

A handwritten signature in dark ink, appearing to read "Dr. J. Joseph Hayes", is written over a horizontal line.

Dr. J. Joseph Hayes
Chairman



ANNUAL REPORT
TO
MAYOR ELMER E. ROBINSON

FOR THE FISCAL YEAR ENDED JUNE 30, 1954

REDEVELOPMENT AGENCY
OF THE
CITY AND COUNTY OF SAN FRANCISCO

Dr. J. Joseph Hayes, Chairman
Lawrence Palacios, Vice Chairman Paul T. O'Dowd
Fitz-Gerald Ames, Sr. James E. Stratten

Robert J. Dolan, Director
M. C. Hermann, Secretary

512 Golden Gate Avenue, San Francisco 2, California

THE HISTORY OF THE

REIGN OF KING CHARLES THE FIRST

BY SAMUEL JOHNSON

IN TWO VOLUMES.

LONDON: Printed by A. MILLAR, in Pall-mall.

1719.

THE HISTORY OF THE
REIGN OF KING CHARLES THE FIRST

By SAMUEL JOHNSON.

ANNUAL REPORT TO MAYOR ELMER E. ROBINSON
FOR THE FISCAL YEAR ENDED JUNE 30, 1954

INTRODUCTORY:

The fiscal year ended June 30, 1954, marked a period in the activities of the San Francisco Redevelopment Agency wherein a marked acceleration in planning production was noted, the end of the long and arduous survey and planning stage became apparent in the immediately foreseeable future, and the undertaking of actual spade work in project areas approached reality.

Precise compliance with the many and complex provisions of State, Federal and City and County laws and regulations governing the administration of a slum clearance and urban redevelopment program necessitates coverage of a broad range of activities and problems. The Division of Slum Clearance and Urban Redevelopment, which, under the Housing and Home Finance Administrator, is vested with the responsibility of determining policies and procedures necessary to effectuate the purposes and objectives of redevelopment under the Federal Housing Act, has acknowledged the vital role assumed by localities. The Division has declared that a local program is an intimate part of local government and encompasses many phases of urban planning such as land uses, physical development, zoning and other regulations, and appraisals of community potentialities of economic growth. Such a local program involves complex problems of large-scale assembly, clearance, preparation and disposition of land, and the rehousing of families which may be required to move from project areas. The San Francisco Redevelopment Agency has sought assiduously to discharge its responsibilities in these and all other respects flowing from the trust devolving on it, and is confident that future progress will vindicate the wisdom of the painstaking course it has followed.

During the fiscal year just ended, San Francisco continued in the van of cities in the western United States in preparing for the extensive redevelopment and conversion of slum and blighted areas into well-planned, integrated neighborhoods, and in providing the opportunity for private enterprise to participate in the program which holds so much hope for future urban prosperity. Progress in principal spheres of activity is reviewed hereinbelow:

WESTERN ADDITION:

Western Addition Approved Redevelopment Project Area A-1 comprises 28 blocks located in the midtown area bounded roughly by Eddy and O'Farrell Streets on the south, and by St. Joseph's Avenue, Post and Franklin Streets on the west, north and east, respectively.

About 46 acres of cleared land in the project area will be made available for private building of various types, mostly residential, which will represent a private investment of more than \$30,000,000 in new values in land and buildings. Current estimates fix the net cost of the project (expenditures, less sale price of project land to be sold) at \$13,107,800, of which \$9,667,000 will be contributed by the Federal Government through a cash grant, with the balance of \$4,369,267 to be furnished by the City and County in the form of non-cash grants-in-aid consisting of site improvements and supporting facilities such as street work, utilities, park and recreation areas, schools and other public services.

Based upon exhaustive studies of land use, traffic circulation, site development, financial aspects and other factors, the staff prepared an alternative plan which was the basis of the first draft of the Final Redevelopment Plan. The second and refined draft of the Final Redevelopment Plan is nearing completion, for ultimate review by Federal authorities and the City Planning Commission and thence consideration and adoption by the Board of Supervisors.

The backbone of the network of plans for the project area is the development of Geary Street, which will be widened and improved to meet expressway standards in the expedition of east-west traffic through the Western Addition. Parallel streets will be subordinated and devoted to local access purposes, and some them will be closed to vehicular traffic. The proposed street layout provides effective circulation for the project area and at the same time leaves open spaces that will add to the amenities of living.

From a lengthy series of meetings attended by representatives of the San Francisco Department of Public Works, Bureau of Light, Heat and Power, Department of Electricity, and Department of City Planning, the State Division of Highways and the Redevelopment Agency, technical differences and objections were resolved, and there has been evolved a workable plan for the proposed Geary Expressway, tentatively acceptable to all directly concerned. The revised design of the Expressway includes an underpass at Fillmore Street rather than an overpass, increases the right-of-way width between Webster and Steiner Streets from 147 feet to 168 feet in order to accommodate the underpass and a pair of service roads, and eliminates the curb separator between service and traffic lanes. Concomitant justifications for revised financing requirements, and appropriate maps, have been carefully prepared by Agency staff. On July 27, 1953, the Board of Supervisors enacted an ordinance appropriating \$1,332,000 for plans, land acquisition and construction of the Geary Expressway, and \$490,000 for the widening of Webster Street between Eddy and Post Streets.

Principles of sound planning need no enlargement to emphasize the desirability of replacing overhead utility facilities with underground services. Accordingly, and subsequent to assembly of necessary data by the Agency staff, an ordinance was drafted and

presented to the Board of Supervisors which contemplates the establishment of an underground utility district in and contiguous with the project area. Hearings have been held before the legislative body and its committees, conferences have been concluded with representatives of the private utility companies involved as well as the City and County Department of Public Works, and as a result there is now in the process of enactment a local law which will designate the project area as an underground utility district, with the proviso that the necessary changeover may be undertaken concurrently with the progress of redevelopment.

Economic and utilitarian reasons make it permissible to allow a limited number of buildings, probably not more than 35, to remain within the project area in their present form and use. In order that the Agency may make at the appropriate time the essential determination regarding retention of existing structures, prior findings must be made as to their effect in inhibiting the preparation of the site plan, preventing the proper location of the proposed structures, or deterring the fullest potential re-use of the area. To that end, Agency staff has undertaken and completed a survey and study of the existing properties in the area and has submitted detailed recommendations for disposition thereof.

At the same time, a survey, site inspections and numerous conferences have resulted in the preparation of detailed staff recommendations with respect to additional land requirements of existing institutional facilities such as churches and schools in order to provide for needed expansion, parking space, and similar purposes.

In pursuance of its policy of employing professionals of the highest calibre, the Agency contracted with Mr. George H. Thomas, Jr., to make real property appraisals of fair market values for purposes of land acquisition, and with Mr. J. Mortimer Clark to submit appraisals of fair re-use values for purposes of resale to redevelopers. Both appraisers are members of the American Institute of Real Estate Appraisers and are of the highest repute in their field. Their appraisal reports were duly completed and accepted by the Agency, for use in the preparation of revised cost estimates. Fees involved amounted to \$5,000.

The Redevelopment Agency is required by law to assure that the needs of all families, including minority group families, to be displaced from the project site can be satisfied from decent, safe and sanitary housing available or to be provided, within the financial means of the families, reasonably accessible to their places of employment, and not generally less desirable in regard to public utilities and public and commercial facilities. In preparation for adequate discharge of this responsibility, Agency staff has prepared a draft of a Relocation Plan, covering standards and resources for relocation housing. Full documentation in the form of tenant agreements, citizens' committee organization, accounting techniques, and similar documents, has been drafted to accompany and supplement said Relocation Plan.

The Agency continued its close liaison with the local office of the Federal Housing Administration, which is required to report as to the acceptability of the Redevelopment Plan as a basis for mortgage insurance, to estimate the available market price of the site for use in computing replacement costs, and to furnish a statement regarding availability of existing or proposed private housing to serve relocation needs. Its most cooperative and helpful consideration of the Agency's proposals has prompted it to make the statement that the proposed re-use of land appears to be feasible and acceptable. A number of suggestions have been volunteered by the Federal Housing Administration which will be thoroughly investigated for possible incorporation in the Redevelopment Plan.

During the first quarter of the coming fiscal year, particular emphasis will be laid upon completing final survey and planning activities for the Western Addition Project Area, in an effort to refine the Final Redevelopment Plan to such an extent that approval of all governmental entities will be assured at the end of that quarter, and authority may be obtained to progress into the actual development stage wherein Federal loan and grant moneys may be utilized.

DIAMOND HEIGHTS:

Redevelopment of the substantially unused hills southeast of Twin Peaks which comprise the Diamond Heights Approved Redevelopment Project Area B-1 will provide a fine new residential neighborhood together with schools, parks, playgrounds and shopping facilities. The land in the area bounded roughly by Clipper, Portola Drive, O'Shaughnessy Boulevard, Bosworth, Elk, Sussex, Castro, Laidley, Thirtieth, Valley, Diamond, Twenty-Eighth and Douglass Streets is now virtually unusable due in large measure to a gridiron street pattern unbuildable on the steep terrain.

The proposal to redesign the approximately 325 acres of barren hills into a model neighborhood, improved by private enterprise and affording up-to-date community facilities and sites for 2300 private homes and rental units in which an estimated 7500 persons will live, will entail private investment amounting to an estimated \$30,000,000 to \$35,000,000.

Current estimates which are subject to revision from time to time fix the net cost of the project (expenditures, less sale price of project land to be sold to private developers) at \$3,323,854, of which \$422,507 will be contributed by the Federal Government through a cash grant, with the balance of \$2,901,347 to be furnished by the City and County in the form of non-cash grants-in-aid consisting of site improvements and supporting facilities such as street work, park and recreation areas, schools, sewers and other public services.

Intensive planning activities, including lengthy and detailed discussions with departments of the City and County government, organizations of architects, planners, builders, realtors and representatives of financial institutions, followed by evaluation of their comments, criticisms and recommendations, have resulted in preparation of several preliminary drafts and then one final draft of the Redevelopment Plan for the project area. Completion of hundreds of exhibits, including detailed cartography and descriptive narratives, has been accomplished for the purpose of fully documenting all phases of the Plan. Said supporting documentation includes a land use plan, site development plan, relocation plan, land acquisition plan, land disposition plan, property management plan, cost estimates and financing plan, declaration of restrictions to be imposed upon land sold, and draft of an ordinance pursuant to which the Board of Supervisors will approve the Plan and undertake to commit the City and County to provision of designated site improvements and supporting facilities.

Particular attention was concentrated upon the formulation of a method whereby present owners of property within the project boundaries may exercise their lawful right of participating in the effectuation of the Plan by agreeing to improve their properties in accordance with the provisions of the Plan. The trial and error method of arriving at a solution of the unique legal problem thus presented resulted in the production of an owner participation method which was not acceptable in its entirety by reviewing agencies of the Federal Government. Thereupon, a wholesale revision of the method was undertaken by the Agency and its staff, and ultimately another and radically different approach was agreed upon, following closely the City Attorney's opinions as to the requirements of the California Community Redevelopment Law. The close scrutiny which the revised method is now undergoing in the Division of Slum Clearance and Urban Redevelopment should provide additional indication of its merits or demerits and its acceptability for the purpose of fairly dealing with the owners of property in the project area.

Protracted negotiations were conducted with various departments of the City and County government concerning acquisition, disposition, improvement and proposed uses of their respective properties, present and in contemplation, within the project boundaries. Specific proposals of major importance included plans for development of an approximately ten-acre parcel in the southwest corner of the project area as a junior high school site or, alternatively, for recreation and park or church or other appropriate institutional uses; the proposed construction of a 100-foot wide park panhandle extending from the Glen Canyon Day Camp to Portola Drive along the old creek bed; the additional development of the Glen Canyon Day Camp; the installation of the Glen Canyon sewer; and the widening of Portola Drive which skirts the northeastern boundary of the project area.

Revised plans and cost estimates were drafted pursuant to study and review undertaken by the San Francisco Bureau of Light, Heat and Power concerning street lighting systems, the San Francisco Department of Public Works with respect to sewer, traffic signal and auxiliary supply systems, and the Pacific Telephone and Telegraph Company regarding the telephone system. The staff additionally completed a study and report which will implement the narrowing of required utility easements in the project area by the relocation and consolidation of existing underground utilities.

Mr. J. Mortimer Clark, prominent local member of the American Institute of Real Estate Appraisers, was retained by the Agency to prepare gross estimates of acquisition costs and re-use values and to serve as the Agency's real estate consultant. In addition to preparing the Land Acquisition Plan, an important phase of the final survey and planning stage, the Agency undertook and substantially completed the preparation of ownership data reports and detailed property maps needed in connection with appraisals. Such data, together with one additional appraisal of each parcel to be obtained prior to commencing land acquisition activities, will provide the basis for decisions which the Redevelopment Agency and the Housing and Home Finance Agency will make with respect to the acquisition of real estate in the loan and grant stage of the Agency's program. The contract amount for Mr. Clark's appraisal services aggregated \$1500.00

The Federal Housing Administration upon analysis of the Agency's plans has certified that the Plan appears to be generally feasible. Future activities including soils engineering studies, detailed grading plans, individual plot plans showing location of proposed structures in relation to all lot lines, cross-sections through lots parallel and perpendicular to the street center line, and a complete subdivision plan will be essential in order for the Federal Housing Administration to arrive at final underwriting determinations.

The first quarter of the coming fiscal year can be devoted to firming up the final planning for Diamond Heights, and thereafter the City Planning Commission and Board of Supervisors may consider and approve them immediately following the United States Supreme Court's disposition of litigation now pending before it, as reported elsewhere in these pages. Said Court will not reconvene until the second Monday in October.

SOUTH OF MARKET:

The South of Market Redevelopment, as designated by the Board of Supervisors in March, 1953, is bounded by Mission, Sixth, Folsom, Hawthorne, Harrison, Second, Brannan, Third, Bryant, Sixth, Brannan, Seventh, Bryant, Eighth, Howard and Ninth Streets. It is predominantly industrial and commercial in character when considered in its entirety, although there are in the area a number of heavy concentrations of residential use which are badly blighted and which are for

the most part centered in the interiors of the large blocks. Re-development of these potential project areas would remove some of the most blighted housing in the City and at the same time would make available new sites for industrial and commercial development.

In partial compliance with an Agency work order, the Department of City Planning of the City and County of San Francisco in November 1953 issued a preliminary report on the selection of a project area in the South of Market Redevelopment Area. At that time, the Department emphasized that it was not submitting a recommendation for a specific project area and a preliminary plan therefor, but rather was recommending to the Redevelopment Agency several potential project areas for further consideration, with the understanding that when potential users are more certainly committed to participating in the redevelopment program in the Area, a definite project area definition can be made and a preliminary plan as required by the Community Redevelopment Law can be formulated.

Since the City Planning Commission's report declares that there is no block in the Area in which residential use exceeds fifty per cent of the uses, it appears probable that the Area will not qualify for the Federal financial assistance made available to redevelopment projects due to the requirement that they be predominantly residential either in their inception or in their redeveloped state. Therefore, the Agency has confined to a large extent its exploratory studies of potential marketability to the field of private financing.

The Agency has given widespread publicity, through announcements to and meetings with real estate brokers, builders, commercial and industrial land investors, and civic groups including the Chamber of Commerce and other major organizations, of its interest in receiving proposals whereby private redevelopers would pay all the costs of redeveloping a project area somewhere within the South of Market Redevelopment Area. Such costs would include the costs of planning the project area, payments to private owners for their property, the Agency's administrative costs of acquiring and disposing of the property, and an appropriate commission to any real estate broker who successfully concludes a transaction between a private party and the Agency.

Although the Agency, in pursuance of its basic responsibility of eliminating blight wherever found, devoted considerable time and effort to studying the feasibility of delineating a project area South of Market, and prepared a report on the possible use of surplus non-cash grants-in-aid from the Diamond Heights and Western Addition Projects to finance a project in the South of Market area, as well as a report and maps indicating blocks and portions of blocks which would possibly qualify as being predominantly residential and thus become eligible for Federal financing, it appears likely that the next fiscal year will bring cancellation of the work order issued to the Department of City Planning, and suspension of planning activities in the South of Market Redevelopment Areas until such time as private investors willing to underwrite the cost of a redevelopment project become actively interested.

NON-CASH LOCAL GRANTS-IN-AID:

In order for the Redevelopment Agency to obtain financial assistance under the provisions of Title I of the Housing Act of 1949, the City and County must assume one-third of the redevelopment project net loss, which is the difference between the assembling, clearing and preparing of the land for redevelopment and the sale of such land to private developers for redevelopment in accordance with the Plan for the area. San Francisco has chosen to furnish its share of financing for the Western Addition and Diamond Heights projects by providing funds for certain public improvements or facilities which will benefit the projects and which will be necessary to serve or support the new uses of the land in the project areas in accordance with the redevelopment plans. Funds for such improvements and facilities are designated as non-cash local grants-in-aid.

Based on an estimated amount of \$10,089,507 in Federal cash grants required for both projects, minimum non-cash local grants-in-aid needed will approximate \$5,477,218.

Preliminary indications in the financial forecast for the Western Addition project are to the effect that non-cash local grant-in-aid credits for such improvements as the Geary Street and Webster Street widenings, the O'Farrell Street, Eddy Street and Ellis Street track removals, traffic signals, fire and police boxes, water mains, school construction, recreation center and playground construction, firehouses and street lighting will amount to \$3,440,800. Possible additional credits from an auxiliary water supply system, branch library, health center, public irrigation, carline conversion, electric substation, Geary Street track removal, and sewer construction may produce another \$711,450.

Tentative figures reflect non-cash local grant-in-aid credits for the Diamond Heights area, from such projects as recreation areas and a park, branch library, firehouse, school, trunk sewer, water mains and distribution system, and pipe line relocation, in the aggregate amount of \$2,901,347. Possible additional grant-in-aid credits for a sewer, schools, street signs, transit extensions, street realignment, recreation facilities, freeway and park areas total \$1,697,555.

Constant and close liaison was required in order to keep abreast of developments in City and County departmental affairs which may have a bearing on the financial picture of the redevelopment projects. To that end, frequent meetings with officials of interested departments are held, and a most satisfactory relationship has been developed and maintained. In particular, the Controller of the City and County, Mr. Harry D. Ross, has been exceedingly cooperative and has been largely instrumental in setting up a systematic control on all non-cash local grants-in-aid claimed by the Agency in relation to both project areas in order that all required information and documentation from the departments involved may be submitted seasonably to the Agency.

LITIGATION:

During the final month of the last preceding fiscal year, the Agency precipitated a court test pursuant to which it is anticipated that the constitutionality of the California Community Redevelopment Law will be affirmed and the Agency's legal authority to prosecute its work will be incontrovertibly established. The Housing and Home Finance Agency proffered contracts for loans and capital grants to aid in financing the Western Addition and Diamond Heights projects, which contracts were duly approved by the Agency and the Board of Supervisors.

The Chairman of the Agency refused to execute the contracts, whereupon the Agency sought and secured mandamus in the California District Court of Appeal commanding the Chairman to execute the contracts. Owners of property in the Diamond Heights Project Area were granted leave to intervene, and after the District Court of Appeal denied their petition for rehearing, and the California Supreme Court denied their petition for hearing, the District Court stayed the execution of the writ of mandate insofar as it applied to the Diamond Heights Project in order to give interveners an opportunity to file a petition for Writ of Certiorari with the United States Supreme Court, and they have done so. The City Attorney's understanding of the ultimate basic question presented by interveners' petition is: "Is redevelopment (as defined in the Community Redevelopment Law) a public use and purpose?" A correlative question is: "Is the Community Redevelopment Law violative of the 14th Amendment of the Federal Constitution?"

In addition to the able services rendered in the course of litigation by the City Attorney and his staff and Agency Counsel, both the Agency and the Chairman employed special counsel and the State of California was represented by the Attorney General and his staff.

In May, 1954, interveners filed a petition for Writ of Certiorari with the United States Supreme Court, in an action entitled "Van Hoff et al. vs. Redevelopment Agency, No. 778, October Term 1953." Agency Counsel has filed briefs in opposition to the petition, and the Court will consider the matter subsequent to the second Monday in October, 1954, when it will reconvene. In the meantime, the Agency is free to proceed with its plans for and redevelopment of the Western Addition Project.

URBAN RENEWAL:

The importance of the work of urban rehabilitation undertaken by the City and County of San Francisco pursuant to mandate of the Board of Supervisors has gained added significance in the light of recent Federal legislation. The Housing Act of 1954 makes basic changes in the approach which municipalities must take to the subject of slum clearance and urban redevelopment. To be eligible

for Federal assistance for public housing, slum clearance and urban redevelopment, a city must first have a "workable program of urban renewal". This is a new phrase appearing in Federal legislation for the first time.

The Agency has continued its representation in the activities and regular meetings of the Inter-Agency Committee on Urban Renewal, which in its inception was known as the Interdepartmental Committee on Area Rehabilitation. Positive programs for code adoption, improvement and enforcement were promulgated, and expansive plans for the Committee's future activities formulated, in order to prevent the spread or recurrence of slums and blighted areas and to enforce local codes and regulations relating to land use and to adequate standards of health, sanitation and safety for dwellings. Since the future of redevelopment is irrevocably identified with local programs of urban renewal, at least insofar as the procurement of Federal financial assistance for redevelopment projects is concerned, renewed emphasis will be laid on cooperation with the City and County's code enforcement, planning and welfare departments.

DISSEMINATION OF INFORMATION:

During the past fiscal year, the Agency has received hundreds of inquiries regarding various aspects of its several plans. The majority were from local residents, property owners or realtors who were able to call in person at the Agency office. Many others, however, requested current information by telephone and mail. It would be a fair estimate that time spent in disseminating information and maintaining good public relations equalled the full time of one staff member. The Agency, recognizing the necessity for public approbation and support if the objectives of the redevelopment program are to be realized, feels that the time was well spent. At the same time, in order to permit the staff to devote a greater portion of its time to other phases of planning, the Agency is preparing a question-and-answer type illustrated brochure which may be economically reproduced in numbers sufficient for distribution to the interested public and thus, by providing answers to recurrent questions, conserve the time of staff members.

Examples of the Agency's activities in creating and fostering public interest and good-will included speaking engagements before city-wide and neighborhood civic and professional organizations, and exhibition of project scale models, photographs and perspective drawings before local and regional groups of planners, architects, labor representatives, building industry leaders, realtors and chambers of commerce. Photographic exhibits were loaned to the State Department for display at the Berlin Trade Fair, and a similar exhibit was used to good advantage by the Peale Museum in Baltimore in its presentation entitled "Rebuilding America's Cities." Site inspections for interested groups included a bus tour of the Diamond Heights and Western Addition Project Areas by over fifty local school teachers.

PERSONNEL:

At the end of the fiscal year, the Staff of the Agency numbered 14, including a director, secretary, planning chief, senior right-of-way agent, assistant to director, rehousing specialist, engineer, 2 associate redevelopment planners, senior bookkeeper, 3 stenographer-clerks and clerk-typist-receptionist. The present monthly payroll totals approximately \$6,600. As the active stage of redevelopment approaches and is entered into, the staff will be augmented by the addition of other needed employments such as land counsel, chief of finance and accounting, legal stenographer, site manager, maintenance man and rehousing interviewers.

The City Attorney, through the medium of an Agency-financed work order, provided all legal services to the Agency with the exception of the special counsel engaged by the Agency and its Chairman for the purpose of litigating the action in the State courts testing the constitutionality of the California Community Redevelopment Law.

The Agency has contracted with the most reputable and competent architectural, engineering and real estate consultants as needed. As future requirements dictate, the services of architects, engineers, professional real estate appraisers, local real estate firms and the San Francisco real estate industry will be solicited in connection with the land acquisition and land disposition programs.

FISCAL DATA:

Attached hereto and by reference made a part hereof is a Financial Statement of the Agency for the fiscal year 1953-1954. The Agency's policy of completing the project plans at the earliest possible date has been vigorously prosecuted and it is hoped will culminate in such completion before the end of the current calendar year. Thus will the need for further advances of preliminary and final survey and planning funds be obviated, and the Agency will thenceforth proceed with funds supplied by the Federal government in the form of loans and capital grants.

The most recent audit of the Agency's accounts was made by Mr. Richard K. White, Field Auditor, Housing and Home Finance Agency, during the month of June, 1954.

ACKNOWLEDGEMENTS:

The Honorable Elmer E. Robinson, Mayor, has continued to evince a deep personal interest in and wholehearted support of the redevelopment program, and during the fiscal year traveled to Washington, D. C., for the purpose of conferring with top-level officials of the Housing and Home Finance Agency and the Division of Slum Clearance and Urban Redevelopment. His keen and active interest in the Agency's efforts has been and will continue to be productive of immeasurable

assistance in the maintenance of the highest order of cooperation from officials of the Federal Government, and in the continued acceptance of the program in local circles. The members of the Board of Supervisors, the director and members of the City Planning Commission, the Chief Administrative Officer and those administrative departments under his jurisdiction, and all local administrative officials and commissioners, as well as the community as a whole, have inspired a humble feeling of gratitude in the members of the Agency for the help and support they have freely proffered and without which the redevelopment projects planned for San Francisco's future economic and social well-being could not attain realization.

Initial redevelopment procedures have been necessarily slow and cumbersome, obstacles encountered have been disappointing to many in the community who envisioned rapid progress to the construction stage, uncertainties created in part by the complexities of inter-governmental relations and new, untried and experimental legislative concepts have been the source of critical comment, but nevertheless it has become apparent that the problems presented have been solved or are well on their way to solution, and that an era of active rebuilding will be reached in the foreseeable future.

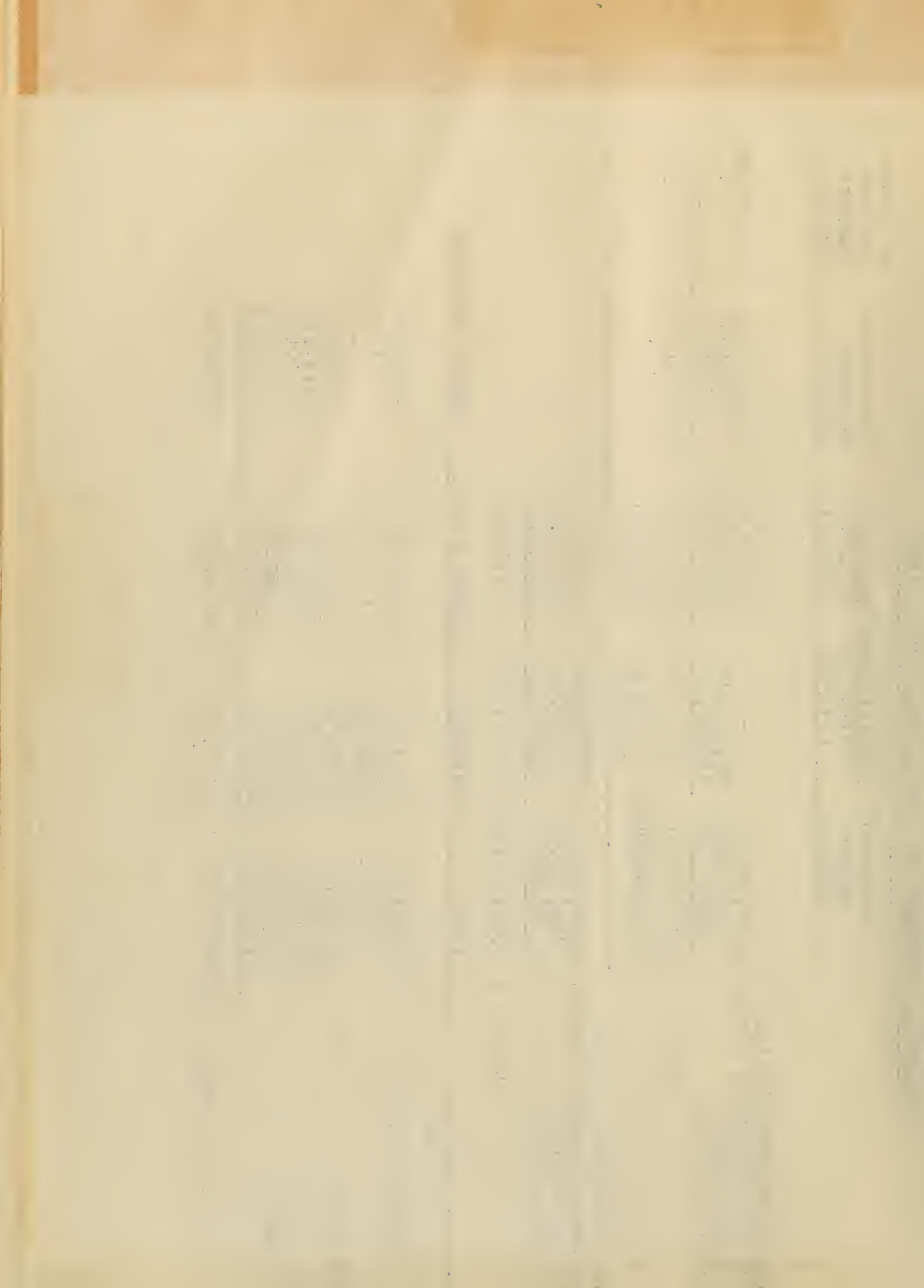
CITY AND COUNTY OF SAN FRANCISCO - BUDGET FOR THE REDEVELOPMENT AGENCYFOR PAYMENT OF FEES TO AGENCY MEMBERS

<u>ISCAL YEAR</u>	<u>APPROPRIATIONS</u>	<u>TOTAL EXPENDITURES</u> (Note: Payment made at rate of \$10.00 per Member for each Meet- ing actually attended.)
953 - 1954	\$ 2,200.00	\$ 2,200.00
952 - 1953	2,200.00	2,000.00
<u>DETAIL OF EXPENDITURES:</u>		<u>TOTALS</u> <u>1953 - 1954</u>
DR. J. JOSEPH HAYES, Chairman	-	\$ 490.00
LAWRENCE PALACIOS, Vice Chairman	-	260.00
FITZ-GERALD AMES, SR. (Appointed 1/19/54)	-	-
PAUL T. O'DOWD	-	440.00
JAMES E. STRATTEN	-	450.00
ALDEN AMES (Appointed - 2/3/53 Resigned - 1/19/54)	-	210.00
MORGAN A. GUNST (Resigned - 2/3/53)	-	180.00
TOTALS	-	\$2,000.00

REDEVELOPMENT AGENCY of the City and County of San Francisco

FINANCIAL STATEMENT FOR FISCAL YEAR 1953 - 1954

	Approved Budget TOTAL	Requisitioned and Rec'd 7/1/53 to 6/30/54	Unencumbered Balances 6/30/54	Available Balance (Budget) 6/30/54
FUNDS RECEIVED:				
PRELIMINARY ADVANCE	\$297,763.00	287,134.82	\$ 28,117.55	\$ 10,628.18
FINAL ADVANCE	189,335.00	160,809.00	2,414.77	-
FINAL ADVANCE	88,133.25	69,217.00	9,278.01	-
TOTAL	\$575,231.25	517,160.82	\$ 39,810.33	\$ 10,628.18
FUNDS EXPENDED:				
PRELIMINARY ADVANCE	\$259,017.27	251,169.39		
FINAL ADVANCE	186,920.23	123,800.04		
FINAL ADVANCE	78,855.24	12,110.07		
TOTAL	\$524,792.74	387,079.50		
DETAIL OF EXPENSES:				
	TOTAL	PRELIMINARY	DIAMOND HEIGHTS	WESTERN ADDITION
1. ADMINISTRATIVE OVERHEAD & SERVICES	\$184,971.38	105,641.89	46,111.65	33,217.84
(a) Administrative	8,031.71	3,799.27	3,415.12	817.32
(b) Travel	2,579.72	2,579.72	-	-
(c) Public	10,390.35	6,886.89	2,326.32	1,177.14
2. OFFICE FURNITURE & EQUIPMENT:	35,557.26	8,197.00	18,046.51	9,313.75
3. LEGAL SERVICES:	250,806.21	114,135.16	112,569.96	24,101.09
4. SURVEY AND MAPPING:	10,549.13	3,434.13	1,992.00	5,123.00
5. LAND SURVEY APPRAISALS:	21,906.98	14,343.21	2,458.67	5,105.10
6. RELOCATION:				
TOTAL EXPENDITURES	\$524,792.74	259,017.27	186,920.23	78,855.24



JUL 18 1955

SAN FRANCISCO
PUBLIC LIBRARY

ANNUAL REPORT
TO
MAYOR ELMER E. ROBINSON

FOR THE FISCAL YEAR ENDED JUNE 30, 1955

REDEVELOPMENT AGENCY
OF THE
CITY AND COUNTY OF SAN FRANCISCO

Dr. J. Joseph Hayes, Chairman
Lawrence Palacios, Vice Chairman Roy P. Cole
Joseph Aliota James F. Stratten

Eugene J. Riordan, Director
M. C. Hermann, Secretary

512 Golden Gate Avenue, San Francisco 2, California

ANNUAL REPORT TO MAYOR ELMER E. ROBINSON
FOR THE FISCAL YEAR ENDED JUNE 30, 1955

INTRODUCTORY:

The fiscal year ending June 30, 1955 was fraught with many developments which had and will have a salient effect upon redevelopment in San Francisco. Of prime importance to this Agency was the settlement of litigation instituted in 1952 and which established the constitutionality of the California Community Redevelopment Law. On December 6, 1954, the United States Supreme Court denied the interveners petition for Writ of Certiorari, thus establishing the constitutionality of the California Community Redevelopment Law. On December 13, 1954, the District Court of Appeal, State of California, First Appellate District, Division One, issued a Writ of Mandate to Chairman Dr. J. Joseph Hayes, ordering the execution of the Diamond Heights Loan and Grant contract, an action he previously refused to take and which was the basis for the institution of the litigation. Accordingly, one important barrier was removed from the path of progress in redevelopment in San Francisco and the State of California.

On August 2, 1954, Congress enacted the Housing Act of 1954, the provisions of which materially changed the concept of redevelopment, as defined in the Housing Act of 1949. While the provisions of the Housing Act of 1954 will not apply to the Diamond Heights and Western Addition Approved Redevelopment Project Areas, the new law basically puts new emphasis on urban renewal through the processes of rehabilitation and conservation and provides for total demolition only where required. The formula for federal participation under the new Act liberalizes the federal residential requirements for financial assistance. Under the 1949 Act, a project to qualify for federal assistance had to be preponderantly residential in character. The new law permits limited federal financial assistance to projects which qualify as being substantially residential in character. However, before a community can qualify for federal assistance to effectuate an urban renewal program, it must prepare a Workable Program which is acceptable to the Housing and Home Finance Agency.

Recognizing the importance of Citizen Participation in a program as vast and complex as Urban Renewal, and at the same time satisfying a requirement of the "Workable Program", the preparation of which is necessary to qualify for federal financial assistance, Mayor Elmer E. Robinson appointed a Citizen Participation Committee for Urban Renewal on December 14, 1954. The Members include James Leo Halley, member of the Board of Supervisors, Honorary Chairman; Lloyd D. Hanford, Realtor, Chairman; Willis M. Holtum, Equitable Life Insurance Society; Henry R. Ehlers, Crocker First National Bank; Alan K. Browne, San Francisco Chamber of Commerce; Kirk Whitehead, San Francisco Planning and Housing Association; Mrs. Edward Matzger, League of Women Voters, -Secretary; Joseph A. Brown, Apartment House Industry of San Francisco; Daniel F. Del Carlo, American Federation of Labor; A. E. Archibald, San Francisco Federal Savings and Loan Association; J. Lloyd Conrich, Architect; Harry H. Hilp, Sr., General Contractor. Ex officio Members included Chief Administrative Officer Thomas A. Brooks, Fire Chief Frank Kelly, Health Director, Ellis D. Sox, Planning Director, Paul Oppermann and Redevelopment Director Eugene J. Riordan, Public Works Director Sherman P. Duckel.

At the invitation of the Redevelopment Agency and in order to provide better cooperation and understanding between the Committee and the Agency, Chairman Hanford appointed certain members of the Committee to attend Redevelopment Agency meetings. The personnel of this Committee is such that their advice is most helpful to the Agency and they have been and will be of invaluable assistance to the Agency in the selection of new Urban Renewal Projects.

In anticipation of the approval by the Housing and Home Finance Agency of the Workable Program prepared by the Department of City Planning and now pending action by the Board of Supervisors, this Agency has prepared an application for a preliminary advance of funds in the amount of \$250,000 from the Federal Government under the provisions of the Housing Act of 1954, to effectuate a program of urban renewal in the Western Addition Redevelopment Area. This application will be submitted through proper channels to the Urban Renewal Administration for consideration immediately upon the acceptance and approval of the Workable Program for San Francisco.

On December 23, 1954, the Administrator of the Housing and Home Finance Agency established the Urban Renewal Administration, headed by Urban Renewal Commissioner, Mr. James W. Follin, as a constituent unit of the Housing and Home Finance Agency, with the responsibility of carrying out the functions formerly assigned to the Division of Slum Clearance and Urban Redevelopment. At the same time there was also established six Housing and Home Finance Regional Offices, each to be headed by a Regional Administrator. Region VI was assigned to San Francisco, Mr. M. Justin Herman being designated as the Regional Administrator thereof. Mr. Richard Ives was appointed Regional Director of Urban Renewal and since January

7, 1955, Regional Offices were situated in Room 919, Flood Building, 870 Market Street, San Francisco. The decentralization of Urban Renewal operations to H.H.F.A. Regional Offices has resulted in more expeditious handling of program submissions and closer contacts between the federal and local officials. Resolving of differences brought about by the necessity for compliance with the many complex provisions of federal, state, city and county laws and regulations, has been greatly simplified and expedited through the presence at the local level of federal officials authorized to resolve such differences. Progress in the principal spheres of activity is reviewed hereinbelow:

WESTERN ADDITION

The Western Addition Approved Redevelopment Project Area A-1 comprises approximately 28 blocks located adjacent to the downtown area and bounded roughly by Eddy and O'Farrell Streets on the south, and by St. Joseph's Avenue, Post and Franklin Streets on the west, north and east, respectively.

During the fiscal year just ended, the Final Redevelopment Plan for this area, with all attendant documents, was evolved and submitted to the Urban Renewal Administration where it is now undergoing an area review before being submitted to the Administrator for final review and approval. Coincident with this submittal, the Final Redevelopment Plan was submitted to the City Planning Commission for its review, report and recommendation. On June 16, 1955, the City Planning Commission adopted its Resolution No. 4436, approving the Final Redevelopment Plan for this area as being in conformity with the Master Plan and recommending it to the Board of Supervisors.

In the process of preparing the Final Plan, many conferences with the staff of the local Urban Renewal Administration were necessary to insure precise compliance with the many and complex provisions of Federal, State and local laws and regulations governing the administration of a slum clearance and urban redevelopment project. While the Urban Renewal Administration, under the Housing and Home Finance Administrator, is vested with the responsibility of determining policies and procedures necessary to effectuate the purposes and objectives of redevelopment under the Housing Acts of 1949 and 1954, it recognizes and subscribes to the vital role assumed by communities in their Urban planning. Land uses, physical development, zoning and other regulations, and appraisals of a community's potentialities of economic growth are considered by the Urban Renewal Administration to be matters for local determination. The main concern of the Urban Renewal Administration is, that in the removal of blighted areas new blighted areas are not created. Adequate provisions against the recurrence of blighted conditions in areas treated by the redevelopment process are requisites in any plan acceptable to the Urban Renewal Administration. Reconciliation

of the Plan to meet the provisions of the Federal Law and that of the California Community Redevelopment Law involved long hours of negotiation and the revising of the plan accordingly.

Of paramount concern to the Agency is the rehousing of the approximately 9600 persons who will be displaced by the project, in compliance with Federal and State statutes governing redevelopment. Accordingly, detailed relocation plans have been prepared and submitted to the Urban Renewal Administration. The current vacancy ratio in San Francisco in the private housing market along with new construction in both private and public housing will enable the Agency to fulfill its legal obligation to assure all persons being displaced decent, safe and sanitary housing within their financial means. Especially encouraging is the cooperation of the San Francisco Housing Authority in the construction of its Francisco Plaza apartments which are presently planned for completion in order to coincide with the displacement of families from the Western Addition Redevelopment Project Area. The Agency is making every effort to be able to meet the projected schedule for displacement of families and thus be able to take advantage of the Francisco Plaza apartments.

About 46 acres of cleared land in the project area will be made available for private building of various types, mostly residential, which will represent a private investment of more than \$30,000,000 in new values in land and buildings. Current estimates fix the net cost of the project (expenditures, less sale price of project land to be sold) at \$11,089,871 of which \$7,336,079 will be contributed by the Federal Government through a Capital Grant, with the balance of \$3,753,792 to be furnished by the City and County in the form of non-cash grants-in-aid consisting of site improvements and supporting facilities such as street work, utilities, park and recreation areas, schools and other public services. As the Diamond Heights Approved Redevelopment Project B-1 is an adjunct to the Western Addition Approved Project A-1, under the terms of contracts with the Federal Government, a pooling of the non-cash grants-in-aid (City and County contribution) permits the use of the excess required for Diamond Heights to be applied to the Western Addition Project, thus eliminating the need for a cash contribution on the part of the City and County to meet the matching requirements (1/3 of Net Project Cost) of the Federal Government.

In order to more firmly determine the economic feasibility of the Project, the Urban Renewal Administration authorized and provided the money for a detailed parcel appraisal of the 666 parcels of property in the Project Area. Because of the magnitude of such an appraisal and in the interest of time, the expedient of dividing the appraising between the Department of Real Estate of the City and County of San Francisco and qualified, professional appraising firms was utilized. The Department of Real Estate appraised 211 improved parcels, and 3 unimproved parcels; Baldwin and Howell 115 improved parcels; Alberton Realty Company 106 improved parcels and 5 unimproved parcels; and Mr. J. Mortimer Clark

221 improved parcels and 5 unimproved parcels. These appraisers are of the highest repute in their field, and their appraisal reports were completed and accepted by the Agency and used in the preparation of the revised cost estimates for the project. Fees involved amounted to \$29,772.58.

On August 9, 1954, the Board of Supervisors adopted Ordinance No. 8722, establishing an underground utility district in the project area with the proviso that the conversion from overhead to underground installations be undertaken concurrently with the progress of redevelopment. The Revised Final Redevelopment Plan and all attendant documents was resubmitted to the Urban Renewal Administration on May 13, 1955.

It is estimated at this time that the Final Redevelopment Plan will be reviewed by the Urban Renewal Administration and approved for submittal to the Board of Supervisors by September 1, 1955. With reasonable prompt action on the part of the Board of Supervisors in approving the Plan, and allowing thirty days for the consideration of alleged alternative plans that may be submitted, the Board of Supervisors approval of the plans should be obtained not later than October 1, 1955. This Agency has been informed that three months will elapse after approval of the Plan by the Board of Supervisors before Loan and Grant monies will be available. On this basis actual acquisition of property in the area should commence by February 15, 1956.

DIAMOND HEIGHTS

Redevelopment of the substantially unused hills southeast of Twin Peaks, which comprise the Diamond Heights Approved Redevelopment Project Area B-1, will provide a fine and new residential neighborhood, together with schools, parks, playgrounds and shopping facilities. The land in the area bounded roughly by Clipper, Portola Drive, O'Shaughnessy Boulevard, Bosworth, Elk, Sussex, Castro, Laidley, 30th, Valley, Diamond, 28th, and Douglass Streets, is now virtually unusable, due in a large measure to the existing gridiron street pattern platted on unbuildable steep terrain.

The proposal to redesign the approximately 325 acres of barren hills into a model neighborhood, improved by private enterprise and affording up-to-date community facilities and sites for 2300 private homes and rental units in which an estimated 7500 persons will live, will entail private investment amounting to an estimated \$30,000,000 to \$35,000,000.

The Redevelopment Plan for the area contemplates a street pattern contoured to the existing hills and the effectuation of the plan will transform this otherwise unusable ground into a spectacular development of magnificent view properties. Current estimates, which are subject to revision from time to time, fix a net cost of

the project (expenditures, less sale price of project land to be sold to private developers) at \$1,980,994, of which \$1,093,710 will be contributed by the Federal Government through a capital grant, with the balance of \$887,284 to be furnished by the City and County in the form of non-cash grants-in-aid consisting of site improvements and supporting facilities, such as street work, park and recreation areas, schools, sewers, and other public services.

The Final Redevelopment Plan, with all attendant documents, revised to conform to suggestions contained in a critique received from the Urban Renewal Administration on plans originally submitted April 9, 1954, were resubmitted March 11, 1955, and have undergone a second area review and a review by the Administrator and returned approved for submittal to the Board of Supervisors after minor revisions. It is contemplated that these revisions will be effected and the plans submitted to the Board of Supervisors not later than August 1, 1955.

We have been informed that Loan and Grant money will be available to the Agency three months after the passage by the Board of Supervisors of the Ordinance approving the Plan and if the Board of Supervisors acts promptly on the passage of the Ordinance, actual acquisition of property should begin in January, 1956.

SOUTH OF MARKET REDEVELOPMENT AREA

The South of Market Area, as designated by the Board of Supervisors in March, 1953, is bounded by Mission, 6th, Folsom, Hawthorne, Harrison, 2nd, Brannan, 3rd, Bryant, 6th, Brannan, 7th, Bryant, 8th, Howard and 9th Streets. It is predominantly industrial and commercial in character when considered in its entirety, although there are in the area a number of heavy concentrations of residential use which are blighted and which are for the most part centered in the interiors of the large blocks. The Agency was unsuccessful in qualifying a project within the area under the provisions of the Housing Act of 1949. Since the advent of the Housing Act of 1954, it is reasonably possible that a neighborhood area can be delineated within the redevelopment area as designated by the Board of Supervisors which will qualify for federal assistance. The staff of the Agency, in consultation with the local office of the Urban Renewal Administration, has determined the federal requirements for financial assistance and upon approval of San Francisco's Workable Program, an application for preliminary planning funds will be prepared and submitted to the Federal Government.

SOUTH BASIN

During the fiscal year ending June 30, 1955, the San Francisco Chamber of Commerce intensified their demand for a new Wholesale Produce Market site. The Board of Supervisors, at its meeting held September 27, 1954, approved Resolution No. 14802, requesting the City Planning Commission and the Redevelopment Agency to institute a study to determine whether or not the areas comprising the present Produce Market and the South Basin Housing Project fall within the definition of "blighted areas" as defined in the State Redevelopment Act, the Federal Housing Act of 1954, and any and all Acts that might provide a suitable remedy for the situation.

In compliance with this Resolution, the staff of the Department of City Planning prepared a report recommending the designation of the South Basin Housing Project Area and the present Wholesale Produce Market Area as redevelopment areas.

On January 7, 1955, this Agency adopted Resolution No. 275, concurring in the report on the Wholesale Produce Market and the South Basin Housing Project Area, as prepared by the staff of the Department of City Planning, and requested the Board of Supervisors to declare the Wholesale Produce Market Area and the South Basin Housing Area as redevelopment areas, based upon the findings of the Department of City Planning, and requested the Board of Supervisors to appropriate sufficient money for survey and planning work in connection therewith.

At their meeting held February 14, 1955, the Board of Supervisors approved Resolution No. 15248 which designated and described a redevelopment area in the City and County of San Francisco and identified it as Redevelopment Area F (South Basin) which consists of fourteen blocks bounded by Jennings Street, Thomas Avenue, Hawes Street and Carol Avenue and is presently preponderantly occupied by temporary war housing buildings. In accordance with federal policy of disposing of temporary war housing, this project was being emptied as quickly as possible and was scheduled to be closed by January 1, 1956. As the determination of blight was predicated upon the presence of the temporary war housing on the site, the removal of same would disqualify it as a blighted area under the provisions of the California Community Redevelopment Law. In order to forestall any further removal of temporary buildings from the site, the Board of Supervisors on May 16, 1955, approved Resolution No. 15557 which requested the United States of America, acting through the Public Housing Administration, to cease and desist from the sale and demolition of temporary war housing, located in South Basin and from returning privately owned leased lands to the owners thereof for a period of six months.

On June 20, 1955, the Board of Supervisors adopted Ordinance No. 9194 which appropriated the sum of \$5000 for the preparation of the preliminary and tentative plans for the redevelopment of the South Basin Area. In cooperation with the Department of City Planning, these plans are now being prepared. Representatives from the Department of Agriculture, in cooperation with the Department of City Planning, the Redevelopment Agency and the San Francisco Chamber of Commerce are presently devising plans for an ideal produce market contemplated for this area.

WHOLESALE PRODUCE MARKET

On February 21, 1955, the Board of Supervisors approved Resolution No. 15288 which designated the area comprising the Wholesale Produce Market as Redevelopment Area E. This area is roughly bounded by Broadway, Embarcadero, Howard Street, Steuart Street, Market Street, Drumm Street, Sacramento Street, Battery Street, Commercial Street, Leidsdorff Street, Clay Street, Montgomery Street, Washington Street, and Battery Street to Broadway, point of beginning. Defective design and character of physical construction, faulty exterior spacing, inadequate provisions for sanitation, age and obsolescence, inadequate utilities, and growing lack of proper utilization, are the basis for the determination of blight in the area. The San Francisco Chamber of Commerce, in conjunction with the Department of City Planning, is presently studying the best new use to which the area can be adapted and positive planning and redevelopment of the area will be initiated upon the completion of these studies.

NON-CASH LOCAL GRANTS-IN-AID

In order for the Redevelopment Agency to obtain financial assistance under the provisions of Title I of the Housing Act of 1949, the City and County must assume one-third of the redevelopment project net loss, which is the difference between the assembling, clearing and preparing of the land for redevelopment and the sale of such land to private developers for redevelopment in accordance with the Plan for the area. San Francisco has chosen to furnish its share of financing for the Western Addition and Diamond Heights projects by providing funds for certain public improvements or facilities which will benefit the projects and which will be necessary to serve or support the new uses of the land in the project areas in accordance with the redevelopment plans. Funds for such improvements and facilities are designated as non-cash local grants-in-aid.

Based on an estimated amount of \$3,429,789 in Federal cash grants required for both projects, minimum non-cash local grants-in-aid needed will approximate \$4,356,955.

The financial forecast for the Western Addition Project is to the effect that non-cash grant-in-aid credits for such improvements as the Geary and Webster Street widenings, the O'Farrell Street, Eddy Street and Ellis Street track removals, traffic signals, fire and police boxes, water mains, school conversion, recreation and playground construction, firehouse construction, street lighting and sewers for which funds have been appropriated by the Board of Supervisors or for which funds are available but not yet appropriated will amount to \$3,753,792. In addition, it is the intention of the Park and Recreation Commission to expand the Hamilton Recreation Center during the execution of the Project which will provide an estimated additional non-cash grant-in-aid credit of \$77,000.

Present projections estimate the non-cash local grant-in-aid credits for the Diamond Heights area, from such projects as firehouse reconstruction, trunk sewer, water mains and distribution system, street opening, closing, widening, realignment, and pipe line relocation, for which the Board of Supervisors has appropriated funds in the amount of \$887,284. Possible additional grant-in-aid credits for sewers, schools, street signs, transit extensions, park and recreation facilities, freeway and park areas to be provided during the execution of the Project are estimated at \$3,783,122.

PERSONNEL

At the end of the fiscal year, the staff of the Agency numbered 14, including a director, secretary, planning chief, senior right-of-way agent, assistant to director, rehousing specialist, engineer, 2 associate redevelopment planners, senior bookkeeper, 3 stenographer-clerks and clerk-typist-receptionist. The present monthly payroll totals approximately \$6,850. When the active stage of redevelopment is entered into, the staff will be augmented by the addition of other necessary employments.

The City Attorney, through the medium of an Agency-financed work order, provided all legal services to the Agency with the exception of the special counsel engaged by the Agency and its Chairman for the purpose of litigating the action in the courts testing the constitutionality of the California Community Redevelopment Law.

The Agency has contracted with the most reputable and competent architectural, engineering consultants and Real Estate Appraisers as needed. As future requirements dictate, the services of architects, engineers, professional real estate appraisers, local real estate firms and the San Francisco real estate industry will be solicited in connection with the land acquisition and land disposition programs.

FISCAL DATA

Attached hereto and by reference made a part hereof is a Financial Statement of the Agency for the fiscal year 1954-1955. The Agency's policy of completing the project plans at the earliest possible date has been vigorously prosecuted and it is hoped will culminate in such completion before the end of the current calendar year.

ACKNOWLEDGMENTS:

The Honorable Elmer E. Robinson, Mayor, has continued to evince a deep personal interest in, and wholehearted support of, the redevelopment program. His keen and active interest in the Agency's efforts has been and will continue to be productive of immeasurable assistance in the maintenance of the highest order of cooperation from officials of the Federal Government, and in the continued acceptance of the program in local circles. The Controller, Mr. Harry Ross, has been most helpful to the Agency, and the acceptance of the financial provisions of the plans for Diamond Heights and Western Addition by the Urban Renewal Administration has, in a large measure, been due to his counsel and advice. The Members of the Board of Supervisors, the Director and Members of the City Planning Commission, the Chief Administrative Officer and those administrative departments under his jurisdiction, City Attorney and all local administrative officials and commissioners, as well as the community as a whole, have inspired a feeling of gratitude in the members of the Agency for the help and support they have freely proffered and without which the redevelopment projects planned for San Francisco's future economic and social well-being could not attain realization.

Initial redevelopment procedures have been necessarily slow and cumbersome, obstacles encountered have been disappointing to many in the community who envisioned rapid progress to the construction stage, uncertainties created in part by the complexities of intergovernmental relations and new, untried and experimental legislative concepts have been the source of critical comment, but nevertheless it has become apparent that the problems presented have been solved or are well on their way to solution, and that an era of active rebuilding will be reached in the foreseeable future.

REDEVELOPMENT AGENCY

of the City and County of San Francisco

FINANCIAL STATEMENT FOR FISCAL YEAR 1954 - 1955

TOTAL APPROVED BUDGET	UNREQUISITIONED BUDGET BALANCE	REQUISITIONED AND RECEIVED			TOTAL	UNENCUMBERED BAL. 6/30/55 (CITY TREASURY)
		7/1/54 to 6/30/55	9/30/50 to 6/30/54	RES. - REFUN TO URA - 6/55		

FUNDS RECEIVED:

PRELIMINARY ADVANCE - Diamond Heights?	\$297,763.00	10,628.18**	-	287,134.82	29,258.70CR *	257,874.95
Western Addition and South of Market	228,960.00	-	39,625.00	189,335.00	-	228,960.00
FINAL ADVANCE - Diamond Heights	193,045.00	-	104,911.75	88,133.25	-	193,045.00
FINAL ADVANCE - Western Addition	TOTAL -	\$719,768.00	10,628.18**	144,536.75	29,258.70CR *	679,879.95
						31,784.90

FUNDS EXPENDED:

PRELIMINARY ADVANCE - Diamond Heights?	\$257,874.95	6,705.56	251,169.39			
Western Addition and South of Market	222,736.34	98,936.30	123,800.04			
FINAL ADVANCE - Diamond Heights	185,826.71	26,736.69	159,090.02			
FINAL ADVANCE - Western Addition	TOTAL EXPENDITURES -	\$666,438.00	132,378.55	534,059.45		

DETAIL OF EXPENDITURES:

1. ADMINISTRATION:	TOTAL	PRELIMINARY (4/55)	DIAMOND HEIGHTS	WESTERN ADDITION
(a) Administrative Overhead & Services	\$238,904.40	106,722.02	64,800.92	67,501.46
(b) Travel	9,340.03	3,817.20	310.20	1,612.63
(c) Publications	2,579.72	2,579.72		-
2. OFFICE FURNITURE & EQUIPMENT:	10,616.74	6,886.89	211.21	1,318.64
3. LEGAL SERVICES:	45,357.26	8,372.00	21,445.26	15,240.00
4. SURVEY AND PLANNING:	277,731.16	111,458.28	122,443.58	44,029.30
5. LAND SURVEYS & APPRAISALS:	54,421.71	3,569.13	3,770.00	47,375.58
6. RELOCATION PLANNING:	27,486.98	14,469.71	468.17	8,749.10
TOTAL EXPENDITURES -	\$666,438.00	257,874.95	222,360.34	185,826.71

(*) Refund of unexpended balance under Preliminary Advance Contract UR Calif. A-1.
 (**) Unrequisitioned Budget balance under Preliminary Advance Contract UR Calif. A-1.
 (***) Expended Funds for June 1955 and additions

CITY AND COUNTY OF SAN FRANCISCO - BUDGET FOR THE REDEVELOPMENT AGENCY

FOR PAYMENT OF FEES TO AGENCY MEMBERS

FISCAL YEAR	APPROPRIATIONS	TOTAL EXPENDITURES (Note: Payment made at rate of \$10.00 per Member for each Meet- ing actually attended.)
1954 - 1955	\$ 2,200.00	\$ 1,740.00
1953 - 1954	2,200.00	2,200.00
<u>DETAIL OF EXPENDITURES:</u>		
	<u>TOTALS</u> 1954 - 1955	<u>TOTALS</u> 1953 - 1954
DR. J. JOSEPH HAYES, Chairman	- \$ 380.00	\$ 500.00
LAWRENCE PALACIOS, Vice Chairman	- 330.00	430.00
JOSEPH L. ALIOTO (Appointed - 5/7/55)	- 40.00	-
ROY P. COLE (Appointed - 12/21/54)	- 240.00	-
JAMES E. STRATTEN	- 390.00	450.00
ALDEN AMES (Resigned - 1/19/54)	- -	140.00
FITZ-GERALD AMES, SR. (Resigned - 9/3/54)	- 40.00	240.00
CYRIL MAGNIN (Resigned - 5/4/55)	- 240.00	-
PAUL T. O'DOWD (Resigned - 9/15/54)	- 80.00	440.00
TOTALS	- \$ 1,740.00	\$ 2,200.00

THE UNIVERSITY OF CHICAGO
LIBRARY

1000

1000

1000

1000

1000

1000

1000

1000

1000

1000

1000

1000

1000

1000

1000

1000

June 8, 1955

LATEST ESTIMATE OF GROSS AND NET PROJECT COSTS

	<u>DIAMOND HEIGHTS</u>	<u>WESTERN ADDITION</u>	<u>COMBINED</u>
<u>TOTAL PROJECT EXPENDITURES:</u>	\$6,968,604	\$17,229,216	\$24,197,820
Total Non-Cash Local Grants-in-Aid:	<u>887,284</u>	<u>3,753,792</u>	<u>4,641,076</u>
GROSS PROJECT COST:	\$7,855,888	\$20,983,008	\$28,838,896
ESTIMATED RECOVERY FROM SALE OF LAND:	<u>5,874,894</u>	<u>9,893,137</u>	<u>15,768,031</u>
NET PROJECT COST:	\$1,980,994	\$11,089,871	\$13,070,865
Total Non-Cash Local Grants-in-Aid:	<u>887,284</u>	<u>3,753,792</u>	<u>4,641,076</u>
FEDERAL CAPITAL GRANTS:	\$1,093,710	\$7,336,079	\$8,429,789
MINIMUM NON-CASH LOCAL GRANTS-IN-AID REQUIRED: (1/3 Net Project Cost)	\$ 660,331	\$ 3,696,624	\$ 4,356,955
Excess Non-Cash Local Grants-in-aid:	\$ 226,953	\$ 57,168	
Excess Non-Cash Local Grants-in-Aid: (Both Projects)			\$ 284,121

DOCUMENTS

MAR 8 1966

SAN FRANCISCO
PUBLIC LIBRARY

ANNUAL REPORT

TO

MAYOR GEORGE CHRISTOPHER

For the Year July 1, 1955 to September 30, 1956

~~REDEVELOPMENT~~ AGENCY

OF THE

CITY AND COUNTY OF SAN FRANCISCO

Joseph L. Alioto, Chairman

Lawrence Palacios, Vice Chairman

John W. Mailliard III

Dr. J. Joseph Hayes, O.D.

Sydney G. Walton

Eugene J. Riordan, Director

M. C. Hermann, Secretary

512 Golden Gate Avenue, San Francisco 2, California

SOUTH OF MARKET

On September 20, 1955, Mr. Benjamin Swig appeared before the Agency and presented a plan for the redevelopment of six blocks bounded by Third, Fifth, Mission and Harrison Streets in the South of Market District. His plan contemplated a seven story garage, connected to the freeways, a new modern hotel, a theatre, a new 20-story office building, shopping facilities, a hundred foot mall with stores on either side with moving sidewalks and many other innovations. His plan envisioned a Rockefeller Center type of development with all buildings connected to the garage. He said he wasn't asking the Government or the City for financial aid and that his project would be financed by private capital. He asked for the cooperation of the Agency in the exercise of its powers to assemble the land. He emphasized that his plans required the utilization of the full six blocks, four of which were outside the designated redevelopment area. He urged the Agency to request the Board of Supervisors to amend the boundaries of the redevelopment area to include the four blocks bounded by Mission, Folsom, Third and Fifth Streets, to accommodate his plan. Mr. Swig indicated that Mr. William Zeckendorf, of the firm of Webb & Knapp, and a New York real estate magnate, had associated himself with him in this project. Mr. Swig agreed to furnish the necessary funds to defray the costs of a survey which Mr. Paul Oppermann, Director of City Planning, indicated would be necessary before any action could be taken on the proposal. The Agency initiated an action recommending to the city body having the authority, that the plan presented by Mr. Swig be set into and made to conform if necessary to

the Master Plan for the City. The Agency also accepted, subject to the approval of the Board of Supervisors, Mr. Swig's offer of the sum of \$3,200.00 to perform preliminary studies in connection with his plan. The Board of Supervisors approved the acceptance of this gift, and Mr. Swig deposited the money with the Agency. On September 22, 1955, the City Planning Commission was requested by letter to make the necessary studies to determine whether the area of Mr. Swig's interest outside the designated area qualified as a blighted area, the costs of such studies to be paid to the City Planning Commission from the funds donated by Mr. Swig.

On October 18, 1955, Mr. Oppermann presented the results of his studies of the four blocks bounded by Mission, Folsom, Third and Fifth Streets. In summing up his report, Mr. Oppermann concluded that it was the opinion of the Department of City Planning that a project such as Mr. Swig contemplated could not be qualified under the provisions of the California Community Redevelopment Law in the blocks mentioned. He conceded that these blocks taken on the whole, might qualify as being sufficiently blighted to be declared a redevelopment area, or be included in, by amendment, the present area as declared by the Board of Supervisors. In conceding this, Mr. Oppermann was emphatic in saying that such action would simply provide an opportunity to the Agency to carve out a project within that area which would qualify for redevelopment under the provisions of the California law.

On October 25, 1955, the Agency took action recommending to the Board of Supervisors the inclusion of the four blocks bounded by Mission, Folsom, Third and Fifth Streets, in Redevelopment Area D.

On December 27, 1955, the Board of Supervisors redesignated Redevelopment Area D and included the blocks bounded by Mission, Folsom, Third and Fifth Streets within the area.

On January, 1956, at a meeting held in the Mayor's office, Mr. Zeckendorff expressed his willingness to spend \$250,000.00 in making studies and preparing schematic plans for the Wholesale Produce Market Area and the South of Market area and that he could do this at his own risk. It was proposed that Mr. Zeckendorff sign and present a Memorandum of Understanding confirming his verbal commitment to the Mayor. On February 14, 1956, at a meeting held in the Mayor's office, Mr. Zeckendorff, through his representatives, presented a signed agreement patterned after an agreement used in Washington, D.C., the provisions of which were not applicable to San Francisco in that the city wished to reserve the right to exploit to the fullest unrestrained public bidding. On February 28, 1956, the signed Memorandum of Understanding as submitted by Mr. Zeckendorff through the firm of Webb and Knapp, was presented to the Agency for consideration. The agreement contemplated an expenditure of \$125,000.00 for a twelve month period in connection with studies and the preparation of a schematic plan for the South of Market project. In view of the Mayor's request to the City Attorney for an opinion as to the legality of the Memorandum of Understanding as presented by Webb & Knapp, the Agency deferred taking immediate action thereon. On March 20, 1956, the Agency was unofficially informed that Webb & Knapp had withdrawn their offer as contained in their signed Memorandum of Understanding in view of the planning that was being

undertaken by the City Planning Commission in connection with the Wholesale Produce Market Area. On March 21, 1956, at a meeting held in the City Attorney's office, it was determined that public planning should be performed by a public agency.

DIAMOND HEIGHTS

On July 19, 1955 the Final Redevelopment Plan for the Diamond Heights Redevelopment Project Area B-1 was returned to the Redevelopment Agency, approved by the Urban Renewal Administration as being satisfactory from their standpoint, subject to conditions which were stated in the letter of transmittal. On July 22, 1955, a reply was prepared and delivered to the Urban Renewal Administration meeting all their requirements by amending the Plan or justifying the Agency's position where no changes had been made. On July 26, 1956, the Agency was informed by the local Urban Renewal Administration that the changes made in the Final Redevelopment Plan were satisfactory and that the Plan as so amended could be presented to the Board of Supervisors for their action. On July 28, 1955, the Plan and the Ordinance adopting said Plan, and the Cooperation Agreement by and between the City and County of San Francisco and the Redevelopment Agency was submitted to the Board of Supervisors for their consideration and adoption. On October 17, 1955, the Board of Supervisors by Resolution No. 16083 approved the Form of Cooperation Agreement by and between the City and County of San Francisco and the Redevelopment Agency in connection with this project, and on October 24, 1955, by Ordinance No. 9359, the Board of Supervisors approved the Redevelopment Plan for Diamond Heights and designated same as the official Redevelopment Plan for said project area.

Immediately following the adoption of the Plan by the Board of Supervisors, the Owner Participation Sign-up period, as required by the California Community Redevelopment Law, commenced. Extended over the maximum time permitted by the California law for such sign-up (90 days), sixty participants signed their agreements and forty participants either either signified their intentions not to participate or let the time limitation expire without signing their contracts.

Following the ten-day period after the adoption of the Redevelopment Plan by the Board of Supervisors before the Plan became effective, the Cooperation Agreement was executed by the Mayor and the Clerk of the Board of Supervisors, in behalf of the City and County of San Francisco, and Chairman Joseph L. Alioto, in behalf of the Redevelopment Agency, and on November 15, 1955, the Redevelopment Plan and all attendant documents were submitted to the Urban Renewal Administration with the application for a Loan and Grant Contract.

On January 23, 1956, telegraphic advice from J. W. Fellin, Commissioner of Urban Renewal, informing the Agency of approval of allocations of \$6,790,832, Temporary Loan Funds, and \$915,988, Capital Grant Funds for Diamond Heights, was received. The Loan and Grant contract for the Diamond Heights Area was received and approved by the Redevelopment Agency on January 24, 1956 and referred to the City Attorney, the Controller and the Board of Supervisors of the City and County of San Francisco for review and approval prior to its execution by the Agency Chairman. The Board of Supervisors approved the Loan and Grant Contract at its meeting held February 6, 1956, and the contract was executed by the Agency and the Urban Renewal Administration on March 1, 1956. From that date all financing in connection with the Diamond Heights project has been made available under the terms of the Loan and Grant contract.

Two parcel by parcel acquisition appraisals by independent appraisers have been completed on all properties in the area and have been reviewed by the Real Estate Department of the City and County of San Francisco. On the basis

of these appraisals, prices for the property in the area have been determined, submitted to the Federal Government and approved, and said prices will be the basis for negotiations for acquisition of property in the area. Negotiation contracts with reputable firms have been prepared and approved and the purchase of property will begin immediately upon the availability of money to effectuate purchase. In this regard, the Agency in the interests of economy, arranged to finance the project privately through the issuance of short term notes. Complying with all legal requirements, calls for bid, etc., the Agency sold its notes in an amount of \$2,730,000 to Salomon Bros. & Mataler, 60 Wall Street, New York 5, New York, at an interest rate of 1.71%. This money is to be available to the Agency on or about September 4, 1956. It is contemplated to complete the acquisition of property within one year, barring extensive litigation.

On June 1, 1956, the firm of Punnett, Paroz and Hutchison commenced the work of completing the final engineering drawings in the area. This work should be finished in 270 calendar days, or nine months. Upon the completion of the acquisition of property and the final engineering drawings, the work of grading and installing site improvements will commence. In accordance with the terms of the Loan and Grant Contract, the project must be completed within five years, or March 1, 1961.

WESTERN ADDITION

On May 13, 1955, the Redevelopment Plan for the Western Addition Approved Redevelopment Project Area No. A-1, with all attendant required documents, was submitted to the Urban Renewal Administration for review and approval for submittal to the Board of Supervisors of the City and County of San Francisco. On September 6, 1955, the results of the legal review of the plans were received by the Agency. On March 5, 1956, the Agency received notification from the Regional Administration, Housing and Home Finance Agency, that the Redevelopment Plans for Western Addition had been reviewed by the Urban Renewal Commissioner and that he had revised the reservation of capital grant funds available for the project in an amount of \$7,917,738.00 and authorized the Agency to proceed with obtaining the approval of the Board of Supervisors, conditional on the effectuation of recommended changes as contained in their letters of September 6, 1955, and March 5, 1956. These changes were made and the Plan, Ordinance and Cooperation Agreement were submitted to the Board of Supervisors on April 19, 1956. The Board of Supervisors, by Ordinance No. 9708, adopted May 28, 1956, approved the Redevelopment Plan and designated same as the official Redevelopment Plan for the Area. The Cooperation Agreement was executed by the Mayor and the Clerk of the Board of Supervisors representing the City and County of San Francisco and Chairman Joseph L. Alioto, representing the Redevelopment Agency, on June 12, 1956.

On June 21, 1956, the Final Redevelopment Plan as adopted by the Board of Supervisors, and all related documents were sent to the Urban Renewal Administration with an application for a revised Loan and Grant Contract for the

Area. It is anticipated that the Loan and Grant Contract will be received from the Federal Government on or before October 31, 1956, the expiration date of the current budget for the area.

Immediately following the passage of the Ordinance approving the Redevelopment Plan for the Area, the Owner Participation sign-up commenced. At the completion of the sign-up on August 27, 1956, (90 days) of the 33 eligible participants, 27 signed their agreements, 4 waived their rights to participate, and 2 refused to sign because of the non-discriminatory provisions contained therein.

Pending the receipt of the Loan and Grant Contract, preparation has been made for the second parcel by parcel acquisition appraisal of property in the area. This appraisal will be obtained immediately upon the availability of funds under the Loan and Grant Contract. It is anticipated that acquisition of property in the area will commence on or about July 1, 1957. Completion of the project is expected five years following date of execution of the Loan and Grant Contract.

REDEVELOPMENT AREA E

Redevelopment Area E came officially into being on February 21, 1955 when the Board of Supervisors passed Resolution No. 15288 which declared their intention to remove existing conditions of blight and redevelop the area to produce a modern business community. In addition, the Board appropriated \$25,000.00 to be used for an economic survey to determine the feasibility of reuse. This \$25,000.00 was used to provide consultant services of the Real Estate Research Corporation and Lawrence Lackey, Architect.

On May 22, 1955 the firm of Webb and Knapp tendered the City a Memorandum of Understanding wherein this firm proposed to do all the planning of Area "E". It was the belief of the City Departments concerned however, that the basic planning was their responsibility and that determinations of future land uses in the Area should be made prior to the selection of a redeveloper. The agreement with Webb and Knapp was not signed.

To encourage and assist the public agencies a number of prominent business men of San Francisco formed themselves into the so-called "Committee of Eleven". These men presented the City with a sum of \$25,000.00 to be used for consultant services in connection with the preparation of a Preliminary Plan for a project in the Area. This sum is now being increased to \$50,000.00 to provide for the same type of services for the Tentative Plan.

Utilizing \$45,000.00 of the \$50,000.00, the Planning Commission and the Redevelopment Agency will enter into a tri-partite agreement with the architectural firm of Skidmore, Owings & Merrill within two weeks.

The report of the Real Estate Research Corporation and Mr. Lackey both indicated the desirability of residential reuse of a portion of the land.

Since land devoted to this purpose is eligible for Federal assistance, a request for a Letter to Proceed and an allocation of capital grant funds in the amount of \$5,000,000 was made by the Redevelopment Agency to the Administrator, Housing and Home Finance Agency, on June 22, 1956. The Letter to Proceed was necessary to obtain credit in the form of matching funds for money spent under the aforementioned tri-partite agreement.

The Agency at the present time is engaged in the preparation of a contract for surveying and planning by which sufficient funds will be provided by the Federal Government to carry the project planning through to completion.

SOUTH BASIN

Following the adoption of Ordinance No. 9194 on June 20, 1955, which appropriated the sum of \$5,000 for the preparation of the preliminary and tentative plans for the redevelopment of the South Basin site as a new wholesale produce market, on July 1, 1955, when the appropriation became available, actual work on the preparation of plans for this area commenced. In the interest of time, coincident with the preparation of the Preliminary Plan by the City Planning Commission, this Agency, in cooperation with the Department of City Planning, started the preparation of the Tentative Plan for the area.

As the determination of blight was predicated upon the presence of temporary war housing on the site, the removal of same would disqualify it as a blighted area under the provisions of the California Community Redevelopment Law. To forestall any further removal of temporary buildings from the site, the Board of Supervisors on May 16, 1955, approved Resolution No. 15557 which requested the United States of America, acting through the Public Housing Administration, to cease and desist from the sale and demolition of said temporary buildings and from returning privately owned leased land to the owners thereof for a period of six months. The request of the Board of Supervisors for this delay was granted by the Federal Government for a period of six months. In granting this delay in the removal of temporary buildings from the site, the Federal Government emphasized that the site would have to be cleared and wholly disposed of by June 30, 1956.

With city funds the Preliminary and Tentative Plans for the area were prepared. The Tentative Plan was submitted to the Board of Supervisors and approved on November 28, 1955.

On September 23, 1955, the Agency was tendered a proposed agreement from the San Francisco Food Terminal Corporation in which they agreed that when the five thousand dollar city appropriation for drafting the Preliminary and Tentative Plans for the South Easin Area was exhausted, they would advance funds to the Agency necessary to carry the work through the final planning stages together with other funds for necessary appraisals and land acquisition. This agreement was approved by the Agency on September 27, 1955 and approved by the Board of Supervisors on October 24, 1955. With money furnished by the San Francisco Food Terminal Corporation, the Final Redevelopment Plan for South Easin was prepared, submitted to the Board of Supervisors and approved by that body by Ordinance No. 9566 on March 12, 1956.

Thus, from February 14, 1955, the date the Board of Supervisors designated the South Easin Area for redevelopment, only thirteen months were required to prepare and obtain approval of the Preliminary, Tentative and Final Redevelopment Plans. This was the minimum time such plans could have been legally prepared under the California Community Redevelopment Law.

During the time the plans for this area were being formulated, and particularly at the public hearings held by the Agency and the Board of Supervisors, it became evident that a unified move of the Wholesale Produce Merchants from the old market to a new market at South Easin would be difficult to accomplish. The surveys made by the Department of Agriculture revealed that a big majority of the merchants favored the move to South Easin, but four of the larger operators vigorously opposed the move. The property owner operators contended that their properties and appurtenances should be acquired at a fair market value established before being forced to move and if this were done, they

would relocate themselves on a site other than South Basin. They also contended that other sites just as suitable to their purpose could be acquired at a price much lower than that which they would be required to pay for the South Basin site.

Representing the San Francisco Food Terminal Corporation, the firm of Richard Graves and Associates, contacted the various produce merchants in an endeavor to get sign-ups for space in the new proposed market planned for the South Basin site. According to Mr. Graves, the refusal of the four bigger produce firms to agree to the move to South Basin would create a split market, a condition which made the merchants favorable to the move reluctant to sign. As a consequence, he expressed doubt as to his ability to finance the South Basin Produce site.

On March 27, 1956, this Agency authorized and directed its Director to prepare a Redevelopment Sales Contract for South Basin and to invite Richard Graves and Associates to cooperate in its preparation.

On April 3, 1956, Mr. J. C. Simpson, President of the San Francisco Food Terminal Corporation, informed the Agency that the situation in regard to the South Basin site was such that the cost of acquisition of the land, plus the cost of building the improvements were entirely too high and that the only way he and his people could see to reduce the rental costs per unit was by the method described by Mr. Graves in a letter to the Mayor and which proposed the employment of Redevelopment bonds for the purchase of the land by the Agency and retiring said bonds from the tax increment which would attribute to the City by the new development.

On April 24, 1956, a public hearing was held for the purpose of considering the proposed amendment to the Redevelopment Plan as contained in Mr. Graves' letter to the Mayor and to consider a proposal submitted by John J. Moore Company with reference to the purchase of \$1,000,000 of the Agency's tax increment bonds. Prior to the public hearing, the Agency was informed that Mr. Charles Harney was interested in financing the South Basin Project. After a thorough discussion, the Agency unanimously voted to reject Mr. Graves' proposal and the offer of the John J. Moore Company to purchase the Agency's Redevelopment bonds.

On April 30, 1956, a Special Meeting of the Agency was called to consider the proposal advanced by Mr. Charles Harney in connection with the acquisition of the South Basin project area for redevelopment as a wholesale produce market. It was determined that the conditions contained in Mr. Harney's proposal would require the city to extend certain sewers in the canal area and to pay for all street work involved in the development of a boulevard in the area, as well as all street work required on perimeter streets, including all lighting and planting. Mr. Harney also included as a condition, the amendment of the plan to permit the use of the area for industrial purposes should it develop in three or four years that a produce market would not be feasible due to the refusal of the merchants to move to the new area.

On May 3, 1956, a Special Meeting of the Agency was held to consider further the proposal of Mr. Harney. As Mr. Harney's proposal contained certain commitments by the City of San Francisco which commitments were beyond the power of the Agency to make, it was suggested that Mr. Harney arrange a meeting with the Mayor. This meeting was arranged and held on May 4, 1956. During the meet-

ing the City Attorney Dion Holm expressed grave doubts as to the legality of amending the plan to provide for an Alternate Industrial use. He agreed to research the matter at length. On May 15, 1956, the Agency authorized a request to the Mayor for an appropriation of \$5,000.00 to defray costs incidental to the taking of the necessary steps to change the Redevelopment Plan for the South Basin project to provide for an alternate use for the area in the event a purchaser is unable to develop a produce market in the area within a reasonable time. This request was made to the Mayor who referred it to the Board of Supervisors. The Finance Committee of the Board of Supervisors, in considering this request, asked the Department of City Planning to determine whether the area was still considered blighted. The Department of City Planning informed the Finance Committee that the area still qualified as being blighted, and the matter of the appropriation is still pending before the Board of Supervisors for their action.

DOCUMENT

MAR 8 1958

OFFICE OF THE

ANNUAL REPORT

TO

MAYOR GEORGE CHRISTOPHER

For the Year July 1, 1956 to June 30, 1957

REDEVELOPMENT AGENCY

OF THE

CITY AND COUNTY OF SAN FRANCISCO

Joseph L. Alioto, Chairman

Lawrence Palacios, Vice Chairman
Roy N. Buell

Dr. J. Joseph Hayes, O.D.
Sydney G. Walton

Eugene J. Riordan, Director
M. C. Hermann, Secretary

512 Golden Gate Avenue, San Francisco 2, California

WESTERN ADDITION

In connection with this Project on June 21, 1956, the Final Redevelopment Plan and all related documents as adopted by the Board of Supervisors were submitted to the Housing and Home Finance Agency, Urban Renewal Administration, with an application for a revised Loan and Grant Contract. On the basis of this submittal, the Federal Government, on December 5, 1956, extended to the Agency a Contract providing for a Loan in the amount of \$16,691,025.00 and a Capital Grant in the amount of \$8,330,597.00. This contract was executed, following the approval of the Board of Supervisors, on December 27, 1956. Immediately upon the availability of money under this Contract, a second acquisition appraisal of all properties to be acquired in the Area, was instituted. This appraisal is being performed by competent, independent appraisers and will, upon its completion, be reviewed by the Department of City Real Estate. To accommodate an early start of the underpass contemplated for Geary Street, between Webster and Steiner Streets, acquisition of the property on the north side of Geary, between these blocks will commence on or about November 1, 1957.

Owner Participation Signup:

As required by the California Community Redevelopment Law, qualified owners of property in the area were offered Participation Agreements. On August 27, 1956, the maximum 90 days established for said signup expired and of the 33 eligible participants, 27 signed agreements, 4 waived their rights to participate, and 2 refused to sign because of the non-discriminatory provisions contained therein.

Relocation:

Special mortgage insurance provisions are available under section 221 of the National Housing Act to families displaced by Urban Renewal activities. Such families may secure loans up to \$10,000 in a high-cost area for purchase or rehabilitation of homes, with a minimum down payment of \$200 and monthly payments extending over a period of 40 years at 4¹/₂% interest. Very liberal terms are also available under section 221 to non-profit organizations who wish to build or rehabilitate housing for persons displaced by Urban Renewal activities. In order to be certified for such insurance, the Mayor must submit a report to the Regional Administrator of the Housing and Home Finance Agency, showing an estimate of the city's need for such units.

On September 12, 1956, the Agency submitted to the Mayor for transmittal to the Regional Administrator of the Housing and Home Finance Agency a report entitled, "Estimated Number of Section 221 Units Required to Meet Relocation Needs of Families to be Displaced between July 1956 and June 1958 Due to Activities of Governmental Instrumentalities Within the City and County of San Francisco". To date no official notice has been received from the Housing and Home Finance Agency, but there has been assurance unofficially that the city will be certified for section 221 Mortgage Insurance as soon as the Workable Program is recertified.

Meanwhile the steps required of the Agency by the Urban Renewal Administration of the Housing and Home Finance Agency prior to the beginning of rehousing activities are being completed by the Agency. In March 1957 a door-to-door survey of all families, single persons, and businesses located in Western Addition Project Area A-1 was started. The purpose of this survey is to gather up-to-date information to be used in making an analysis of the site occupants'

needs in terms of both future housing and moving expenses. The survey also enables the Agency to inform all residents and businesses about the Project Plans and how each will be directly affected. The survey is to be completed and compiled prior to the beginning of acquisition of property in the Project Area.

DIAMOND HEIGHTS

Following completion of the second parcel acquisition appraisal by competent and independent Appraisers selected by the Agency, and in conformity with the provisions of the Cooperation Agreement between the Agency and the City of San Francisco, the Real Estate Department of the City and County of San Francisco, reviewed them for adequacy. On the basis of the appraisals and the recommendations of the Director of Property, prices to be offered for properties in the area were determined by the Agency and submitted to the Federal Government and approved. These approved prices were firmly fixed and were not subject to revision by negotiation. Contracts with reputable real estate concerns to acquire the properties in the area for the approved and established prices were prepared and executed under date of October 2, 1956. On that date the Agency received the first Offer of Sale and the actual acquisition of property commenced. From October 2, 1956 through June 30, 1957, the Agency acquired 318 parcels in the area which constituted about 50% of the privately owned property to be acquired and represented an expenditure of \$751,245.00.

Of the remaining 50% to be acquired, approximately 85% is owned by the Crocker Estate, Atlas Realty Company, Charles Harney, Fay Improvement Company, Rosenberg, Brothers and Fellom Brothers, all defendants in the condemnation action. After exhausting every possible means of acquiring property without recourse to the process of eminent domain, the Agency, on March 19, 1957 adopted Resolution No. 887, which authorized and directed the Agency's Director to institute and take the necessary proceedings and actions in eminent domain in the Superior Court of the State of California in and for the City and County of San Francisco, in the name of the Agency for the condemnation of any and all

real properties required for the redevelopment of the Area and which were not under offer of sale to the Agency. On April 10, 1957, Mr. Dion R. Helm, City Attorney, and Morley Goldberg and Norman S. Wolff, Deputy City Attorneys, attorneys for the Redevelopment Agency, filed the Complaint in Eminent Domain. Immediately following the filing of said Complaint, the Staff of the Agency commenced the service of the summons and complaint on the Defendants in the Action.

The first trial date has been established for September 30, 1957. In the interim, the Agency's Staff has prepared all required materials as requested by the Attorneys to assist them in the action. It is anticipated and hoped that upon adjudication of the first trial (Redevelopment Agency and the City and County of San Francisco vs. Atlas Realty Company) a majority of the hold out owners will settle with the Agency without the necessity for court action.

Mr. Roy Fellom, one of the property owners in the area, filed a suit in the Superior Court to enjoin the Agency from instituting the eminent domain action in Diamond Heights on the grounds that the Agency abused its discretion in not permitting him to participate in the redevelopment of his property in the area and on the grounds that the California Redevelopment Law was unconstitutional. A demurrer to the complaint was sustained without leave to amend and the matter is now on appeal before the District Court of Appeal. Briefs have been filed by the Parties and the matter should be heard by the District Court of Appeal during the month of October, 1957.

In addition to the above suit Mr. Fellom, on behalf of himself and other property owners, filed another suit in the Supreme Court of the State of California seeking a writ of mandamus or prohibition to prohibit the Agency and

the Superior Court from proceeding with the eminent domain suit. The Supreme Court referred the matter to the District Court of Appeal, which Court denied the petition. A petition for hearing in the Supreme Court was filed by the plaintiffs and the Supreme Court denied the petition.

Relocation:

Between October 2, 1956 and June 30, 1957 the Agency purchased 31 improved properties occupied by 26 families, 4 single persons, and one business. Of these properties, 27 were vacated by June 30, all of the residents except 3 having moved on an average of less than a month following purchase of their properties.

Of the 27 properties vacated, 22 families and single persons bought homes, 3 rented apartments, 1 moved into public housing, and one business operation was able to find another satisfactory location. In no instance were the living conditions of those persons who moved worsened. Investigation revealed that all who purchased other properties moved into better homes, some purchasing newly constructed dwellings. The one family, consisting of 7 persons, who moved into public housing was most grateful to be able to be accommodated in decent housing they could afford. The family had moved 3 times within a year and their personal funds were depleted. They had not applied for public housing, being fearful of too much "red tape". Much to their surprise, the entire process from the time of application to the date of their move took only a week.

Under date of November 20, 1956, the Agency adopted Resolution No. 687 which authorized the amendment of the Loan and Grant Contract to provide for moving expenses to individuals and families displaced from Diamond Heights Approved Redevelopment Project Area B-1 in accord with Section 106(f) of the

Housing Act of 1949, as amended. The \$100 maximum amount allowed by the Federal Government for each move was sufficient in all but a few cases which exceeded the allocation by only a small amount. Seventeen families remained on the project as of June 30. It is anticipated that these families can be moved as have the previously displaced families, without undue financial hardship.

AREA "E"

The Lower Market Embarcadero Redevelopment Area "E" (Wholesale Produce Market area) was designated by the Board of Supervisors on February 21, 1955. It is bounded generally by Broadway on the north, Embarcadero on the east, Sacramento on the south and Sansome Street on the west. This area is now used principally for the wholesale produce industry.

On January 5, 1956, the Board of Supervisors appropriated the sum of \$25,000 for a "Summary of Market Analysis" which was prepared by the Real Estate Research Corporation, Mr. James Downs, President, and a report on the "Elements of Planning, Rebuilding of Area E" which was prepared by Mr. Lawrence Lackey. Following the completion of these reports, a group headed by Mr. Zellerbach and Mr. Blyth contributed a sum totalling \$50,000 to prepare a schematic plan for the area. This money was made available to the City and County of San Francisco for use by the City Planning Commission and the Redevelopment Agency to perform this work. A tri-partite agreement between the firm of Skidmore, Owings and Merrill, Architects, and the City Planning Commission and Redevelopment Agency was entered into commissioning them to prepare the schematic plan and report thereon. This plan and report was completed on February 23, 1957.

As local money was used to prepare these plans, the Redevelopment Agency made application to the Federal Government for a Letter to Proceed at the time the Zellerbach-Blyth Corporation made the first \$25,000 available. This application was approved by the Federal Government and a cash grant credit in the

amount of \$18,000 was allowed should the area go under Federal contract. When the second \$25,000 was made available by Zellerbach-Blyth, an application for an amended Letter to Proceed was filed and approved by the Federal Government increasing the cash grant credit to \$36,750.

The Redevelopment Agency on September 11, 1956, prepared an application for survey and planning funds from the Federal Government in an amount of \$263,908. As the Board of Supervisors require all such applications to be submitted to them for approval, this application for Federal assistance was referred to that body. The Finance Committee of the Board of Supervisors withheld approval of the application until the schematic plan for the area had been completed by Skidmore, Owings and Merrill.

On June 19, 1957, the Board of Supervisors approved the application for Federal funds and the filing of same with the Urban Renewal Administration where it is now being considered. The Board of Supervisors on the recommendation of the Redevelopment Agency and the City Planning Commission appropriated the sum of \$37,500 to prepare necessary appraisals in the area. In order to protect the cash grant credit deriving from the expenditure of these local funds, the Agency prepared and filed an application for an amended Letter to Proceed which would increase the cash grant credit from \$36,750 to \$64,875 should the project go under Federal contract. The Amended Letter to Proceed has been received and the appraisals of the property in the area are now under way. It is contemplated that 180 days from August 13, 1957, will be required to complete these appraisals.

Planning for the portion of the area which it is contemplated will be redeveloped with Federal financial assistance will commence immediately upon funds being made available by the Federal Government.

The City of San Francisco by virtue of its cash grant credits will receive from the Federal Government in capital grant - \$127,750 or twice the amount of local monies expended in the project.

SOUTH OF MARKET

In connection with the South of Market area, during the time covered by this report, the Board of Supervisors on November 28, 1956, adopted Resolution No. 17269 which rescinded all previous actions designating a South of Market Redevelopment Area D and redesignated a smaller area consisting of approximately 12 blocks. On December 24, 1956, the Board of Supervisors adopted Ordinance No. 10050 which appropriated the sum of \$5,000 for studies to select a project from within the reduced area.

With the cooperation of the Redevelopment Agency Staff, the Department of City Planning completed a Preliminary Plan for a project in the South of Market Redevelopment Area. This project contemplates the redevelopment of the area bounded by Folsom Street between 8th and 4th Streets, Natoma Street between 4th and 3rd Streets, Folsom Street between 3rd and Hawthorne Street, and Harrison Street between 8th and Hawthorne Streets, embracing approximately $6\frac{1}{2}$ blocks.

On the basis of the Preliminary Plan and Report thereon, the Redevelopment Agency prepared an Application to the Federal Government for Survey and Planning Funds in the amount of \$211,082 to prepare the Tentative and Final Plans for the Project Area and for a Capital Grant Reservation in the amount of \$4,000,000. This Application was submitted to the Board of Supervisors and on August 26, 1957, was approved for submittal to the Urban Renewal Administration, where it is now pending action.

If executed, the plan will accomplish the removal of all residential properties from the project area, those commercial and industrial buildings which are deteriorated to a degree that rehabilitation is not feasible, and the redevelopment of the area for commercial and light industrial uses.

DOCUMENTS

MAR 8 1966

SAN FRANCISCO

ANNUAL REPORT

TO

MAYOR GEORGE CHRISTOPHER

For the Year July 1, 1957 to June 30, 1958

REDEVELOPMENT AGENCY

OF THE

CITY AND COUNTY OF SAN FRANCISCO

Joseph L. Alioto, Chairman

Sydney G. Walton, Vice Chairman
Roy N. Buell

John L. Merrill
Lawrence Palacios

Eugene J. Riordan, Director
M. C. Hermann, Secretary

512 Golden Gate Avenue, San Francisco 2, California

WESTERN ADDITION

In connection with this Project, an acquisition appraisal of all properties to be acquired was completed and received by the Agency on August 1, 1957. In accordance with the provisions of the Cooperation Agreement between the City of San Francisco and the Redevelopment Agency, a review of these appraisals by the Real Estate Department of the City and County of San Francisco was made and completed November 30, 1957. Following this review, the fair market values of the properties to be purchased was established and submitted to the Urban Renewal Administration, Housing and Home Finance Agency for concurrence. This concurrence was received from the Federal Government on January 15, 1958, and the purchase program for the Area commenced, the first Offer of Sale being received by the Agency on January 16, 1958. From January 15, 1958 to June 30, 1958, the period covered by this report, the Agency has acquired 245 parcels of property for an amount of \$4,564,175. The acquisition of the biggest portion of these properties was accomplished by members of the Redevelopment Agency staff and required no payment of negotiator's fees.

To expedite the acquisition of properties required for the Geary Street and Webster Street widenings, a Joint Working Agreement between the City of San Francisco and the Redevelopment Agency has been worked out. Under the provisions of this Agreement, the City will institute condemnation proceedings to obtain immediate possession of properties which cannot be purchased by the Redevelopment Agency through negotiations with the owners. A total of 103 parcels of land are affected by this Agreement. Work on the

underpass on Geary Street, between Webster and Steiner Streets, is scheduled to start early in the year 1959.

RELOCATION

In September, 1957, the Agency completed a survey of families, single individuals, and businesses in the Western Addition Project Area. The purpose of this survey was to obtain an up-to-date report on the scope of the relocation problem and to inform tenants of the projected plans of the Agency affecting them. The final tabulation of the survey findings, completed in December, 1957, revealed a total of 8,000 persons consisting of approximately 1,800 families and 1,900 single persons residing in the Area, with 315 businesses to be displaced.

On February 3, 1958, a site office was opened at 1528 Buchanan Street to serve as a base of operations for the conduct of the Agency relocation and property management functions. As of June 30, 1958, the Agency had assisted in the relocation of 88 families, 55 single individuals, and 7 non-residential establishments. Relocation claims for moving expenses as provided for in Section 106 (f) of the Housing Act of 1949, as amended, were also processed and paid for those persons and businesses vacating properties acquired by the Agency. The Agency, as of June 30, 1958, had under management a total of 421 dwelling units and 37 business properties. The Agency is exerting every effort to assist families and individuals living in these units, as well as business proprietors requesting such assistance, in finding other locations as quickly as possible.

The relocation of this large number of residents in the Western Addition Project will require the cooperation of many interested groups in seeking out suitable vacancies and in developing further housing resources

where possible. To this end, the help of the Citizen's Participation Committee on Urban Renewal, the San Francisco Real Estate Board, and other interested organizations and individuals has been most encouraging. The Citizen's Participation Committee sponsored a meeting in the Western Addition on February 19, 1958, to help familiarize residents and community leaders with the relocation requirements, as well as other facets of the complex redevelopment and renewal programs. Members of the Redevelopment Agency and staff assisted in the presentation of this meeting. Other similar follow-up meetings are being contemplated.

REDEVELOPMENT PROJECT AREA NO. B-1

DIAMOND HEIGHTS

During the year covered by this report, the acquisition of property in this Area has been slowed down by extended litigation.

On October 9, 1957, the first trial (Redevelopment Agency vs. Atlas Realty Company) started. Eighteen parcels of property were involved in this litigation. After twenty-eight days of trial, the jury brought in a verdict of \$137,860 for the properties.

The second trial (Redevelopment Agency vs. Fay-Rosenberg, et al) commenced on May 1, 1958, and was adjudicated on June 19, 1958, with a verdict of \$25,500 for the Fay property and \$27,000 for the Rosenberg property.

In anticipation of further litigation, the Agency has deemed it advisable to bring up to date the existing appraisals on properties yet to be acquired from Crocker Estate, Valerga and Nerney, Roy Fellom, Ray Burke et al, and several smaller ownerships, as they are set for trial.

Due to the nature of the properties involved, such as title discrepancies, open hillside land, and the absence of improved streets and utilities installations, litigation has necessarily been extensive, involved and expensive.

It is the hope of the Agency that the biggest portion of these properties yet to be acquired will be successfully negotiated on the basis of the up-to-date appraisals and without the necessity for court action. The requirement of having each up-to-date appraisal figure reviewed and approved by the Urban Renewal Administration before it is presented to the owner is also time consuming and involved.

Mr. Roy Fellom, one of the property owners in the Area, filed a suit in the Superior Court to enjoin the Agency from instituting the eminent domain action in Diamond Heights on the grounds that the Agency abused its discretion in not permitting him to participate in the redevelopment of his property in the Area and on the grounds that the California Community Redevelopment Law was unconstitutional. A demurrer to the complaint was sustained without leave to amend, and Mr. Fellom took the matter on appeal to the District Court of Appeal. Briefs were filed and the District Court of Appeal affirmed the Judgment of the Superior Court. Subsequently, a hearing was denied by the California Supreme Court and Mr. Fellom has filed an appeal in the Supreme Court of the United States. Briefs are presently being prepared by the City Attorney.

A second condemnation suit against thirteen parcels of property not included in the first suit because of clouded titles has been filed and will be brought to trial as promptly as the court calendar will permit. The Agency presently has title to 378 parcels of property purchased at a cost of \$1,067,730. 110 parcels in 63 private ownerships are yet to be acquired.

RELOCATION

In the Diamond Heights Area, as of June 30, 1958, 27 families, 5 single individuals, and one business firm had been relocated. Fourteen families remained on the project. Of those families having moved, 22 had purchased other homes, 3 moved into standard rental housing, and 2 were housed by the San Francisco Housing Authority in low-rent apartments.

It is interesting to note that the majority of the families who

moved purchased more valuable homes than they formerly occupied. Follow-up contacts by the staff revealed that many of the families who had expressed displeasure because of the inconvenience of having to vacate their property stated they were happy that the redevelopment program had forced them to move into more modern and convenient environments.

REDEVELOPMENT AREA D

SOUTH OF MARKET

As previously set forth in the Annual Report to Mayor George Christopher for the period from July 1, 1956 to June 30, 1957, a Preliminary Plan for the redevelopment of approximately six and one-half blocks of the twelve blocks designated by the Board of Supervisors as Redevelopment Area D was prepared by the Department of City Planning with the cooperation of the Redevelopment Agency through the use of a \$5,000 City appropriation. The project contemplated the redevelopment of the area bounded by Folsom Street between Eighth and Fourth Streets, Natoma Street between Fourth and Third Streets, Folsom Street between Third and Hawthorne Street, and Harrison Street between Eighth and Hawthorne Streets. The Preliminary Plan provided for the removal of all residential properties from the area, those commercial and industrial buildings which are deteriorated to a degree that rehabilitation is not feasible, and the redevelopment of the area for commercial and light industrial uses.

The Redevelopment Agency, on the basis of the Preliminary Plan, prepared an application to the Federal Government for Capital Grant Reservation in the amount of \$4,000,000 and an application for Survey and Planning Funds in the amount of \$211,082 to finance the preparation of the Tentative and Final Plans for the Project Area. These applications were submitted to the Board of Supervisors for consideration and on August 26, 1957, that body approved them for submittal to the Housing and Home Finance Agency, Urban Renewal Administration, for consideration and approval.

On August 22, 1957, the Finance Committee of the Board of

Supervisors requested the Agency to prepare and submit a resolution for the Board's consideration, de-designating that portion of the designated area not included in the Preliminary Plan for the proposed Project Area D-1. On September 17, 1957, the Redevelopment Agency adopted Resolution No. 1028; recommending to the Board of Supervisors that such de-designation be effected, and on October 7, 1957, by the adoption of Resolution No. 18347 (Series of 1939) the Board of Supervisors reduced the size of Redevelopment Area D to the six and one-half blocks included in said Project Preliminary Plan.

On September 4, 1957, M. Justin Herman, Regional Administrator, Housing and Home Finance Agency, acknowledged the receipt of this Agency's application for Federal Advance of Funds and Capital Grant reservation and informed the Agency that due to the lack of an approved Workable Program for San Francisco, no priority could be assigned to the application.

On March 24, 1958, M. Justin Herman, Regional Administrator, informed the Agency that the processing and forwarding of the Agency's application for funds would be held up pending the completion and submission to the Urban Renewal Administration of a satisfactory plan for the Embarcadero Lower-Market Street Project and recommended that no further application for funds for the South of Market Area be submitted until such time.

On April 17, 1958, Mr. Herman's recommendation was considered and action was taken by the Agency to the effect that pending the completion and submission of a Final Plan for the Embarcadero-Lower Market Project, a further request for Capital Grant Reservation and Survey and Planning Funds for a project in the South of Market Redevelopment Area would be withheld.

EMBARCADERO-LOWER MARKET

AREA E

On August 13, 1957, an Appraisal (Acquisition) of Land and Improvements in the Embarcadero-Lower Market Redevelopment Area E was started by Mr. George H. Thomas, Jr., M.A.I., said appraisal to be completed within 180 days. Simultaneously, an Appraisal of Redevelopment Sites (Reuse) in the Area was started by Mr. Dwight L. Merriman, Sr., M.A.I., said appraisal to be completed within 180 days. These Appraisals were made possible through an appropriation of \$37,500 made by the Board of Supervisors and approved by the Mayor and were completed and delivered to the Agency in January, 1958.

On May 12, 1958, the Agency's application for Survey and Planning Funds was approved by the Housing and Home Finance Agency, in the amount of \$105,325.

On April 10, 1958, the Department of City Planning with the cooperation of the Redevelopment Agency staff completed the Preliminary Plan for the Embarcadero-Lower Market Redevelopment Project Area No. E-1. The Preliminary Plan included all of Redevelopment Area E with the exception of Blocks 173 and 188 and the approximate southern half of Block 3714.

Through the use of Federal Funds, the Agency entered into a contract with the firm of Skidmore, Owings and Merrill, Architects, to prepare the Tentative Plan and the Report thereon for the Area. This contract required the completion of the Tentative Plan and the Report thereon on or before July 3, 1958, and entailed an expenditure of \$25,000.

Coincident with the preparation of the Tentative Plan for the Project Area, the Agency staff has prepared and will submit to the Urban

Renewal Administration for approval the required Eligibility and Relocation Report and Final Planning Budget in connection with the Project.

To meet the requirements of the Federal Government and to protect the continuance of the Capital Grant Reservation of \$5,000,000 for the Project, all plans and documents in connection with the Agency's application for Loan and Grant for the Project must be prepared, approved by the Agency and submitted to the Urban Renewal Administration on or before December 15, 1958.

Attached hereto and made a part hereof is an amended Projected Time Schedule in connection with this Project.

ACKNOWLEDGMENTS

The Redevelopment Agency wishes to acknowledge the fine cooperation and assistance received from the Honorable George Christopher, Mayor of the City and County of San Francisco; the Honorable Board of Supervisors; Mr. Harry Ross, Controller; Mr. Dion R. Holm, City Attorney; and Colonel C. H. Potts, Associate Coordinator for Urban Renewal (Mayor's Office).

The various City Departments involved in the work of redevelopment have cooperated with this Agency fully and promptly in the effectuation of its work.

AMENDED

PROJECTED TIME SCHEDULE

AREA E-1

- | | |
|---|---------|
| 1. Receipt of Survey and Planning Contract from URA | 5/12/58 |
| 2. Agency approval of Contract and Requisition No. 1 thereunder | 5/13/58 |
| 3. Submittal of Contract and Requisition No. 1 to Board of Supervisors | 5/15/58 |
| 4. Contract and Requisition No. 1 - Board of Supervisors Calendar and referral to Committee | 5/19/58 |
| 5. Committee hearing on Contract and Requisition No. 1 | 5/21/58 |
| 6. Board of Supervisors approval of Contract and Requisition No. 1 | 5/26/58 |
| 7. Agency execution of Contract - Req. No. 1 and submittal to URA | 5/28/58 |
| 8. Contract executed by URA and remittance from Requisition No. 1 | 6/11/58 |
| 9. Completion of Tentative Plan by Skidmore, Owings & Merrill, Architects (under contract - 60 days from May 5, 1958) | 7/ 3/58 |
| 10. Completion of Report on Tentative Plan by Skidmore, Owings & Merrill | 7/ 9/58 |
| 11. Completion of Eligibility & Relocation Report and Final Planning Budget and approval by Agency of same | 7/ 8/58 |
| 12. Submittal of Eligibility & Relocation Report and Final Planning Budget to URA | 7/ 9/58 |
| 13. Submittal of Tentative Plan and Report to URA for review and comment | 7/ 9/58 |
| 14. Approval of Eligibility & Relocation Report and Final Planning Budget | 7/25/58 |
| 15. Review and comment on Tentative Plan and Report from URA | 8/14/58 |
| 16. Agency Public Hearing on Tentative Plan and Report
NOTICES: 8/8/58 - 8/14/58 - 8/21/58 - 8/28/58 | 9/ 3/58 |
| 17. Consideration of Alternative Plans, if any, by Redevelopment Agency | 9/10/58 |
| 18. Consideration of Alternative Plans, if any, by City Planning Commission | 9/11/58 |

9. Approval of Tentative Plan and Report by Redevelopment Agency 9/10/58
10. Report and recommendation on Tentative Plan and Report - City Planning 9/11/58
11. Submittal of Tentative Plan and Report to Board of Supervisors 9/11/58
12. Public Hearings on Tentative Plan by the Board of Supervisors 10/ 6/58
NOTICES: 9/18/58 - 9/23/58 - 9/30/58
13. Report and recommendation on Alternative Plans, if any, by Redevelopment Agency 10/14/58
14. Report and recommendation on Alternative Plans, if any, by City Planning Commission 10/16/58
15. Adoption of Tentative Plan and Report by Board of Supervisors (second reading) 10/21/58
16. PART I - APPLICATION FOR LOAN & GRANT - to be completed by Agency 12/10/58
to be submitted to URA 12/12/58
Consisting of:
Application for Loan & Grant (Form H612)
Summary of Project Data (Form H6120)
Report on Urban Renewal Plan
Project Improvements Report
Land Acquisition Report
Report on Relocation Plan
Report on living space for minorities
Land Disposition Report
Cost Estimates and Financing Report
Report on Local Plans and Programs
Legal Data
17. Review of Part I - Application for Loan & Grant completed by URA 2/ 9/59
18. Revision of Part I - Application for Loan & Grant completed by Agency 2/24/59
19. Submittal of Urban Renewal Plan - Cooperation Agreement - Board of Supervisors 2/26/59
20. Public Hearings on Urban Renewal Plan by Board of Supervisors 3/25/59-4/1/59
NOTICES: 3/4/59 - 3/9/59 - 3/16/59 - 3/23/59
21. Adoption of Urban Renewal Plan by Bd. of Supvs. 1st Reading 4/ 1/59
2nd Reading 4/ 8/59
22. Submittal of Part II - Application for Loan & Grant to URA 4/14/59
23. Loan & Grant Contract proffered to Agency 5/14/59

9
ANNUAL REPORT
TO
MAYOR GEORGE CHRISTOPHER

DOCUMENTS

MAR 8 1960

For the Year July 1, 1958 to June 30, 1959

REDEVELOPMENT AGENCY
OF THE
CITY AND COUNTY OF SAN FRANCISCO

Everett Griffin, Mayor

Sydney G. Wilson, Vice Chair
Roy W. Buell

Deplan
McClos

Eugene W. Jordan, Chairman
M. C. Neumann, Secretary

San Francisco Gate Avenue, San Francisco 2, California

REDEVELOPMENT PROJECT NO. A-1
PROJECT NO. UR CALIF. 2-2

WESTERN ADDITION

During the period covered by this report, the Agency has purchased or has under option 520 parcels of property representing an investment of \$10,582,338. The status of the remaining 145 parcels is as follows:

Under negotiation	44
Summons and Complaints served	40
Re-negotiation based on new appraisals	12
Re-appraisals in progress	33
Litigation pending	3
Set for trial (eminent domain)	1
City and State properties	4
Options secured pending URA concurrence	<u>8</u>
	145

... property required for the Geary-Fillmore underpass has been acquired. It is expected that work on the underpass will commence in early October, 1950.

The remaining properties to be acquired for the Geary widening are all in the hands of the City Attorney pending eminent domain proceedings.

On October 27, 1950, the Board of Supervisors of the City and County of San Francisco, by passage of Ordinance No. 591-58, de-designated that portion of the Western Addition Redevelopment Area lying south of Fulton Street.

RELOCATION

Activities. The actual relocation of residents from Western Addition Project Area A-1 started in February of 1958, when the site office was opened in the Project Area. This activity was reflected in the Annual Report to the Mayor, ending June 30, 1958. However, since the bulk of relocation has taken place during the period covered by this report, total relocation statistics are shown herein.

The relocation record to date shows substantial accomplishment, but back of this record is a situation that warrants continuing attention and will be reported on in the section on problems and remedial action. In the last calendar quarter of 1957, an 80% survey of families and individual householders residing in the Project Area was the basis for arriving at the estimated total relocation workload of 1800 families and 1900 individual householders. As of August 31, 1959, subsequent findings have resulted in a revision of the estimated relocation workload as indicated below. It would appear that the beginning of acquisition of properties and the demolition of buildings in the area stimulated voluntary movement out of the Project Area. Inasmuch as the Agency's relocation responsibility does not arise with respect to individual tenants until the given property is acquired, the previous voluntary movement has served to reduce the total estimated relocation workload.

	Relocation Load		
	Total	Relocated	Yet to be relocated
Families	1200	853	347
White	190	140	50
Non-white	1010	713	297
Individual house- holders	1000	662	338
White	500	307	193
Non-white	500	355	145

The dimensions of the relocation problem of families and single persons in the Western Addition may be observed in the records of the Redevelopment Agency as of August 31, 1959 (figures in parenthesis represent non-white families or individual householders within the total shown in each case):

<u>Families relocated</u>	
In standard rental housing	380 (328)
In standard sales housing	123 (112)
In low-rent public housing	87 (77)
Out of city	46 (27)
In sub-standard rental housing, refused aid	17 (14)
In sub-standard sales housing	2 (1)
Through family changes or other situations	<u>11 (8)</u>
Total	666 (566)

<u>Families relocated, but subject to further check or action</u>	
In sub-standard units or units yet to be inspected	108 (79)
Whereabouts unknown or being traced	<u>79 (67)</u>
Total	187 (146)

<u>Families in buildings acquired by the Redevelopment Agency and yet to be relocated</u>	
Eligible only for private housing	59 (47)
Eligible for public housing	<u>77 (61)</u>
Total	136 (108)

<u>Families in buildings not yet acquired by the Redevelopment Agency and therefore yet to be relocated (etc.)</u>	
	211 (190)

Grand total 1200 (1010)

As of August 31, 1959, a total of \$70,922.21 had been paid to residents for their moving expenses. The distribution of this amount is as follows:

	<u>Relocation Payments</u>	
	<u>No. of cases</u>	<u>Amount of moving expenses</u>
Families	553	\$34,564.99
Individuals	320	10,702.00
Business concerns	<u>71</u>	<u>25,655.22</u>
Total	544	\$70,922.21

Problems and Remedial Action. The problems of relocation are many. Outstanding among these are the problems of the low or modest income family, the limited housing supply, the ethnic composition of the Project Area's residents, housing for the elderly, attitudes toward occupancy of low-rent public housing and sub-standard housing occupied by self-relocatees.

The private housing resources for families of low or modest incomes meeting a high standard of decency, safety and sanitation are very limited. Their ability to compete in a tight housing market such as exists in San Francisco presents a real problem. For those families of low or modest income, but exceeding the requirements for acceptance into public housing, we are dependent on the private housing supply.

In an attempt to meet this need, day-to-day contacts are made with realtors, rental agencies, and landlords, as well as constant checks of the daily newspapers. Constant efforts are being made to enlist the active assistance of the San Francisco Real Estate Board, community groups, churches, and social welfare organizations. It is hoped that the combination of these contacts will serve to solve this very knotty problem. It is apparent that project residents of low and modest incomes must compete for

the older and less attractive housing in the community. However, we accept the legal and moral responsibility for aiding in the development of a solution for this problem of providing such families with decent, safe and sanitary housing.

San Francisco, with only a 1.3 vacancy ratio, has a serious shortage of private rental units. Many units are projected for construction in the upper-to-luxury brackets, but they will have very limited impact on the problem raised herein. More low-rent public housing units are scheduled for construction in San Francisco in 1960. At the request of the Agency, the San Francisco Housing Authority has established a policy of priority in favor of displaced families. This priority policy, together with the additional units, will increasingly solve to some extent the limited housing supply available.

In the private housing market, proposed new construction and construction presently under way will add to the City's housing inventory. The new construction at its higher sale and rental figures will price many of our Western Addition residents out of this particular construction. However, the less expensive housing previously occupied by those who purchase or rent the new housing will be on the market and will increase the housing supply within the financial range of residents being displaced.

Code enforcement by the City is going forward at an accelerated pace, and this is all to the good. On the one hand, code enforcement removes illegal uses and over-crowding and thereby reduces the housing supply. But on the other hand, code enforcement will increase the quality of housing and make available more decent, safe and sanitary units.

San Francisco may well be one of the least discriminatory among major cities with respect to racial barriers in housing, but discrimination does exist, and it impedes the proper rehousing of many families from the Western Addition. The opinion rendered by Stanley Mosk, Attorney General of the State of California, July 1, 1959, that redevelopment agencies may not accept realty listings from landlords who will not accept minority members as tenants is obviously well-intentioned, but as a practical short-range matter, it has dried up the trickle of private rental units referred to this Agency.

Previous to the ruling of the Attorney General, the Agency received rental listings that excluded persons of various non-white groups. Listings were also received which excluded white persons. In an attempt to remove these discriminatory specifications, the staff of this department confers with landlords and brokers making these listings. Racial discrimination in housing is not responsive to the single and isolated efforts of the Redevelopment Agency. This is a community problem and the resources of the community must enter into its solution. To the end that the Redevelopment Agency may successfully offer its fullest relocation services to all persons for whom it is responsible, this Agency has and will continue to call upon the community in this area of concern.

Of the individual householders remaining to be relocated, approximately 20% are elderly persons 65 years or over. In many instances, these are persons living on modest pensions and are unable to compete adequately in the private market. In many cases, elderly persons are disadvantaged physically and otherwise, thereby presenting special needs for

housing adequate for their comfort and enjoyment.

Low-rent public housing specifically designed for elderly residents is scheduled for construction in San Francisco in 1960. This will be of assistance to those of our residents who come within the eligible requirements. Among the groups interested in the problem of housing for the elderly are various religious groups and the Social Planning Section of the United Community Fund of San Francisco. The Agency has discussed this problem with these two groups and also with other community resources in an effort to devise some solution to its responsibility to the elderly.

A large number of Western Addition residents appear to be eligible for low-rent public housing. The vast majority of public housing available is outside of the Western Addition. Many of the residents have built up social and fraternal relationships in the Area, have established church affiliations and otherwise related themselves and their families to the Western Addition. Despite the fact that they are eligible for low-rent housing, they have refused to accept such because of their attachments to the Western Addition. Still others refuse to pay even the subsidized low rentals. Because of these and other reasons, our referrals to low-rent housing are not serving their intended relocation scope.

Relocation staff training and techniques are in the process of development which have for their intended purpose increasing the acceptance by eligible project residents of public housing wherever available. Also, report procedures between the Agency and the San Francisco Housing Authority are being tightened. This will keep the Agency informed on a day-to-day basis regarding its referrals. In each instance as it appears necessary, the Agency will make a follow-up.

In the simplest terms of shelter and avoidance of critical hardships, the relocation program has gone well. Only about 29 per cent of the total family load is yet to be relocated in some form of housing. However, both law and policy go beyond minimum levels of shelter. The families relocated in standard rental and sales housing are undoubtedly not in all cases suitably relocated in decent, safe and sanitary housing as is required by law. In some cases, these families are suitably relocated, but others are in units which have heretofore been regarded as not necessarily desirable but at least adequate.

A restudy of these cases started in mid-July already shows that many of the units occupied do not meet a desirable standard. The City Health Department has been most cooperative in this restudy. Consequently, many families in these categories will return to the active workload of families yet to be properly housed. Much of the case load not yet serviced is expected to represent families not satisfactorily relocated or not yet moved but needing suitable housing.

Property Management Activities. Through August 31, 1959, the Redevelopment Agency had managed a total of 2,010 units. The distribution of these units is as follows:

Units occupied by families	989
Units occupied by single householders	819
Units occupied by business concerns	<u>202</u>
Total units	2,010

Presently there are 338 occupied units under management.

Problems and Remedial Action. Two of the major problems of property management are collection of delinquent rents and vandalism. Much of the delinquent rental may be traceable to the fact that these tenants had landlords who lived on the premises or agents who were present on the tenants weekly pay days to collect the rent. Because of the large number of man-hours required to cover the many rental units of the Agency, it has appeared uneconomic to collect rents other than on a monthly basis. Many other delinquent tenants have a community and business reputation for avoiding payment of debts.

In order to meet the problem of delinquent rents the Agency has tightened up and accelerated its process for instituting legal action to bring about eviction of delinquent rent-paying tenants. Prior to eviction, of course, every reasonable attempt is made to cooperate with tenants to avoid the need for this kind of action. Particularly effective has been the Agency's increased use of 3-Day Notices to Pay Rent or Quit the Premises. Once the tenant has been evicted, collection of his delinquent account is turned over to a collection agency. Only one family and four single persons have been evicted to date.

A fairly high rate of vandalism occurs on the Project in buildings that have been vacated or partially vacated. Despite the fact that the Agency has provided special night watchman patrol services this vandalism occurs. Investigation has traced this vandalism largely to overnight "squatters" and youth. Also, it would appear that some of the vandalism is not restricted to sheer maliciousness. Theft would also appear to be a cause.

In an attempt to reduce vandalism the Agency now has two night watchmen patrolling the area. Also, the Agency has called the matter of vandalism to the attention of the Police Department on a number of occasions. Because of the large number of fires occurring in vacated or partially vacated buildings, the Fire Department is also giving this area special attention.

DEMOLITION

The speed in which buildings that are acquired by the Agency are demolished is in a great measure determined by the speed in which the Agency can suitably relocate the present occupants.

To date, 264 buildings have been placed under contract to be demolished, of which 180 are already razed. On September 1, 1959, 50 additional buildings which have been vacated will be placed under contract for demolition, making a total of 314 buildings vacated, of which 180 have been razed and 134 are to be razed.

All buildings will be torn down as fast as equipment becomes available and disposal methods found. As buildings become vacant, contracts for demolition are let and the buildings removed as soon as practicable.

Presently, the Agency has acquired 208 buildings that are still occupied and not under contract for demolition. These will be let for demolition as they become vacated and will be razed as soon as possible. The remaining 145 properties to be acquired by the Agency will be treated in a similar manner after the Agency has purchased them.

DIAMOND HEIGHTS

During the period covered by this report, the acquisition of property has been slow due to extended litigation. To speed up litigation, the Agency has found it necessary to employ two additional attorneys to handle the increased workload. In addition, Special Counsel was retained in the trial of the Fellom case because it involved complicated proceedings. After the Supreme Court of the United States had denied Fellom a hearing after ruling by the District Court of Appeals and the Supreme Court of the State of California on his injunction suit involving owner participation, it was necessary to try two issues, one involving the question as to whether the Agency and the Board of Supervisors had discriminated against him in denying him the right to participate in the redevelopment of his property and, two, the issue of the market value of the property. The first issue was tried before a court without a jury and the trial lasted fifteen days. The court ruled in favor of the Agency. On the question of value, which was tried before a jury, the trial lasted twenty-two days. The experts for Mr. Fellom testified that his property was worth between \$117,000 to \$150,000. The Agency's experts testified that the property was worth between \$41,000 to \$42,500. The jury awarded Mr. Fellom \$48,500.

Presently, 489 parcels out of 609 parcels of property have either been acquired or are under option to sell to the Agency. The remaining parcels to be acquired by the Agency and which are in private ownership should be acquired before the end of this year.

The following is the status of all properties to be acquired in the project area:

<u>Status</u>	<u>Parcels</u>
Purchased and recorded	442
Under options	47
Under condemnation (in hands of City Attorney)	35
City owned properties	29
State tax-deeded properties	24
Owner participants (portions)	<u>32</u>
Total number of parcels	609

EMBARCADERO-LOWER MARKET

AREA E

(THE GOLDEN GATEWAY PROJECT)

In connection with this project and during the period covered by this report, the Tentative Plan and the Report thereon for the project area was completed. Following Agency approval, the Tentative Plan was submitted to the Urban Renewal Administration for review and approval. Coincident with this submittal, the Agency prepared and submitted to the Urban Renewal Administration the required Eligibility and Relocation Report and Final Planning Budget. On August 14, 1958, the Agency received from the Urban Renewal Administration their comments on the Tentative Plan. In accordance with the provisions of the California Community Redevelopment Law, the Agency scheduled its public hearing on the plan. Following publication of Notice of the Public Hearing for four consecutive weeks, the Agency held its public hearing on the Tentative Plan on September 3, 1958. On September 11, 1958, the Tentative Plan and the Report thereon was submitted to the Board of Supervisors of the City and County of San Francisco for its consideration and approval. Following the publication of notice of the Board's public hearing for three consecutive weeks, the public hearing was held on October 6, 1959, following which the Board approved the plan for second reading. The Board of Supervisors finally passed the Tentative Plan and the Report thereon on October 14, 1959, following which the Agency proceeded with

the preparation of the Final Plan for the project, in connection with Part I of its Application for Loan and Grant. On December 5, 1958, ten days before the expiration of the time limitation set by the Federal Government for its submission, Part I - Application for Loan and Grant for this project was submitted to the Urban Renewal Administration for consideration and approval.

On April 1, 1959, the Agency received the approval of the Urban Renewal Administration of its Part I - Application for Loan and Grant subject to certain conditions and revisions. The most important of the conditions upon which the Application for Loan and Grant was approved by the Urban Renewal Administration were:

(1) The special State legislation authorizing your Agency to acquire and make available for redevelopment the two blocks (Blocks 168 and 169) of land now owned by the Port Authority shall be enacted prior to any Federal funds being made available under the loan and grant contract.

(2) Appropriate action shall be taken to amend the Land Use Plan of the General Plan to reflect the future residential use called for in the Redevelopment Plan. The City of San Francisco can meet this requirement by taking appropriate steps under its Charter to either amend its land use plan or prepare and adopt a District or Neighborhood Plan showing the appropriate land uses, such plan being considered an amplification or precising of the Land Use Plan. The proposed zoning for the residential section of the project shall be R-4 rather than C-3. This re-zoning should be accomplished prior to the disposition of any project land.

*... Expiration required
60 per year for*
(3) No Federal funds shall be made available to your Agency for land acquisition activities in Blocks 233 and 234 (adjoining the proposed Ferry Park) until the Ferry Park Bond issue has been voted on favorably by the electorate or other satisfactory means have been established for acquiring and developing the Park area.

In connection with the first condition, the required legislation was prepared, and with the able assistance of the Mayor of the City and

County of San Francisco, State Senator Eugene J. McAteer, Dion R. Holm, City Attorney, and Donald Cleary, San Francisco's Legislative Representative, Senate Bill No. 777 was enacted on June 3, 1959. This is an act which requires the sale of certain lands, now in possession and control of the San Francisco Port Authority, to the Redevelopment Agency and opens the way for the Agency to meet the requirements of the Federal Government in connection with Blocks 168 and 169.

In connection with Condition No. 2, the City Planning Commission has indicated that the proposed zoning for the residential section of the project will be designated as R-4, rather than C-3, in the new zoning ordinance now before the Board of Supervisors for adoption.

In connection with Condition No. 3, with the able assistance of the Mayor and the Board of Supervisors, there has been prepared a bond issue proposal in the amount of \$2,970,000 for a Ferry Park, which proposal will be voted on by the people of San Francisco at its election on November 3, 1959. The Agency is confident that with the support of the civic groups who are interested in the development of the Golden Gateway Project, this bond issue will be successful.

The other conditions, as set forth in the approving letter of the Agency's Application for Loan and Grant, were accepted and executed by the Redevelopment Agency.

Following the approval of the Modified Redevelopment Plan and Cooperation Agreement between the City and the Agency, these documents were submitted to the Board of Supervisors for approval. Following the required publication of Notices of Public Hearing on the Redevelopment Plan, a public

hearing was held on May 10, 1959, after which the Board approved the Cooperation Agreement and adopted the plan on first reading. On May 25, 1959, the Board adopted the plan on second reading. On May 28, 1959, the Agency submitted Part II - Application for Loan and Grant to the Urban Renewal Administration for consideration and approval.

On the basis of the approval data submitted with Part II of the Application for Loan and Grant, the Agency received an Offer for Loan and Grant Contract in the approximate amounts of \$18,119,105 and \$5,549,836, respectively, said allocations to be effective as of June 30, 1959. Following Board of Supervisors approval and consent, the Agency officially accepted the Offer for Loan and Grant in the amounts indicated and actual work in the project area was started. Contracts for the preparation of Acquisition and Reuse Appraisals of the properties in the area were let and the appraisals are to be completed on or before October 16, 1959. The purchase program will commence as of that time.

GENERAL COMMENTS

On January 15, 1959, Mr. Everett Griffin was appointed by Mayor George Christopher, as a member of the Redevelopment Agency, replacing Chairman Joseph Alioto who resigned. On January 27, 1959, members of the Redevelopment Agency elected Mr. Everett Griffin as Chairman of the Agency. On April 23, 1959, Mr. Walter F. Kaplan was appointed a member of the Redevelopment Agency, by Mayor George Christopher, replacing Mr. John L. Merrill who resigned.

Upon the recommendation of Mr. Griffin, the Agency on June 23, 1959, adopted its Resolution No. 1730, which established a policy of the Redevelopment

Agency in connection with the disposition of land to be acquired by the Agency in the Embarcadero-Lower Market Approved Redevelopment Project Area E-1. In accordance with this Resolution, the Redevelopment Agency established the policy to take such steps as are necessary and appropriate to invite and consider competitive proposals for the disposition of land to be acquired by the Agency within Area E, and to act on such proposals by review, public hearing, acceptance, modifications or refusal, in accordance with such laws, regulations, contracts or related policies as are now or may be pertinent, and to proceed to implement this policy concurrently with land acquisition activities. The policy thus established is a broad departure from the previous policy of the Agency which required open and competitive bidding in the disposition of land purchased by the Agency in its various project areas.

As a first step in implementing the new policy, a proposed schedule for the Golden Gateway redevelopment was established based on this new policy. The schedule indicates that the execution of conditional sales contracts will be effected on or about December 5, 1961, which will be a saving in time of approximately two and one-half years. To further implement the new policy, a brochure prospectus was prepared and distributed to more than one hundred fifty interested developers, co-incident with an invitation to developers to submit proposals for the development of the residential and garage portions of the project area, which appeared in the Wall Street Journal, the three local San Francisco papers, and the Daily Pacific Builder on September 8, 1959.

To date, nine developers have submitted their checks in the amount of \$250 each to obtain the packet which has been prepared by the Agency and which sets forth the full details in connection with this offering.

Attached hereto and made a part of this Report is a complete record of the various steps taken in connection with this project since the area was officially designated by the Board of Supervisors as a Redevelopment Area.

F
35
5
60
C.2

DOCUMENTS

MAR 8 1966

SAN FRANCISCO
PUBLIC LIBRARY

THE SAN FRANCISCO REDEVELOPMENT AGENCY

19
ANNUAL
REPORT
60



[illegible]

THE MEMBERS OF THE
REDEVELOPMENT AGENCY

EVERETT GRIFFIN, Chairman 1962

SYDNEY G. WALTON, Vice Chairman 1964

LAWRENCE R. PALACIOS 1963

WALTER F. KAPLAN 1961

JAMES B. BLACK, JR. 1964

During the period covered by this report, Mr. Black's place on the Agency was held by Roy N. Buell. Members' current term continues into the date indicated above.

M. Justin Herman, Executive Director

October 5, 1960

SAN FRANCISCO REDEVELOPMENT AGENCY
525 GOLDEN GATE AVE., SAN FRANCISCO

1960

ANNUAL REPORT

STATEMENT BY AGENCY MEMBERS	1
STATEMENT BY EXECUTIVE DIRECTOR	2
MAP OF SAN FRANCISCO	3
COMMUNITY OBJECTIVES	5-8
BLIGHT REMOVAL	5
RELOCATION	5-6
BALANCED HOUSING SUPPLY	6
CULTURAL CONTRIBUTIONS	6-7
ECONOMIC CONTRIBUTIONS	7
TAX RETURN	7
CIVIC DESIGN	8
WESTERN ADDITION	9-10
GOLDEN GATEWAY	11-16
DIAMOND HEIGHTS	17-18
AGENCY OPERATIONS	19-20
SUMMING UP	21
HIGHLIGHTS OF THE AGENCY YEAR	22-24
AGENCY BUDGETED EXPENDITURES	25

The Members of the San Francisco Redevelopment Agency appointed by Mayor George Christopher have been entrusted with a great responsibility — the conversion of a number of neighborhoods of San Francisco from a state of blight to a condition of higher economic and social return to the community.

It is a public and business responsibility. Federal, State, City and County laws and ordinances, intricate public controls and accountability must be observed. Yet every major step taken by the Agency involves

STATEMENT BY THE MEMBERS OF THE
SAN FRANCISCO REDEVELOPMENT AGENCY

business risks and business judgments. They, too, must be faced.

The joining of these two elements — the attainment of public objectives and successful business ventures — has been a serious responsibility as well as an exciting challenge.

As we review Agency activities in the past year, we have occasion to be pleased that the efforts of the Agency are bringing us nearer to our publicly stated goals. On this occasion of reporting it also appears that our business judgments for the most part have been sound. Redevelopment is on its way.

In this we have had the encouragement and support of the Mayor. The Board of Supervisors has been generous and sympathetic. No problem has yet arisen involving Agency coordination with municipal operations to which City Hall officials have not helped to find a solution. Back of all of these efforts have been the confidence and trust, as well as the indispensable financing, of the U. S. Housing and Home Finance Agency through its Urban Renewal Administration. In addition we have managed to assemble a devoted and capable staff. San Francisco has demonstrated a capacity to make redevelopment work.

To the citizens of the community and special civic groups such as The United Community Fund, The San Francisco Chamber of Commerce, The San Francisco Planning and Urban Renewal Association, the Downtown Association, the San Francisco Housing Authority, and the many neighborhood and professional groups, we express our thanks for the interest and backing so frequently evidenced. We hope to continue to warrant this confidence.



MEMBERS OF THE AGENCY
EVERETT GRIFFIN
Chairman
WALTER F. KAPLAN
JAMES B. BLACK, JR.
SYDNEY G. WALTON
LAWRENCE PALACIOS

A YEAR OF REDEVELOPMENT....The past year has been one of physical progress. The Western Addition slums are down. Earth scrapers and carry-alls roar over the reshaped hills and ravines of Diamond Heights. Slowly but inexorably the gaps in the blocks of the Golden Gateway forecast the rebirth of a new and handsome neighborhood.

The past year has been one of business progress, too. Higher tax bases are in sight. The Western Addition is almost completely sold. Competition for the purchase of the portion of the Golden Gateway put up for sale has been intensive beyond expectations. Citizens telephone daily asking when they may purchase building sites on Diamond Heights.

The physical progress and land sales are, however, the obvious manifestations of many other efforts and problems. The current stages are readily observable because they were preceded by years of effort, the investment of public capital in planning studies, and in legal processes. Back of the parade of trucks hauling building debris and earth is a record of disturbances to homes, to ways of personal, family, and business life. These disturbances may not be passed over lightly, for the fiscal and social tools available for meeting these problems with vigorous and timely solutions are not yet improved to the point that we can afford to be indifferent or complacent. They are good, but not good enough.

Today's panorama of physical progress should not blind us to the elements which retard more effective and timely redevelopment. The complexity of redevelopment laws with their built-in delays is no excuse for indifference to the improvement of our legal machinery.

Local financing of redevelopment needs long-term stabilization, and in the future it may not be able to continue to be built around the incidence of public works expenditures as has been possible under astute City and County financing to date. Private capital also needs further awareness of the opportunities for attractive profit along with civic improvement.

The relocation of residents and businesses needs the courage and inventiveness of a determined citizenry.

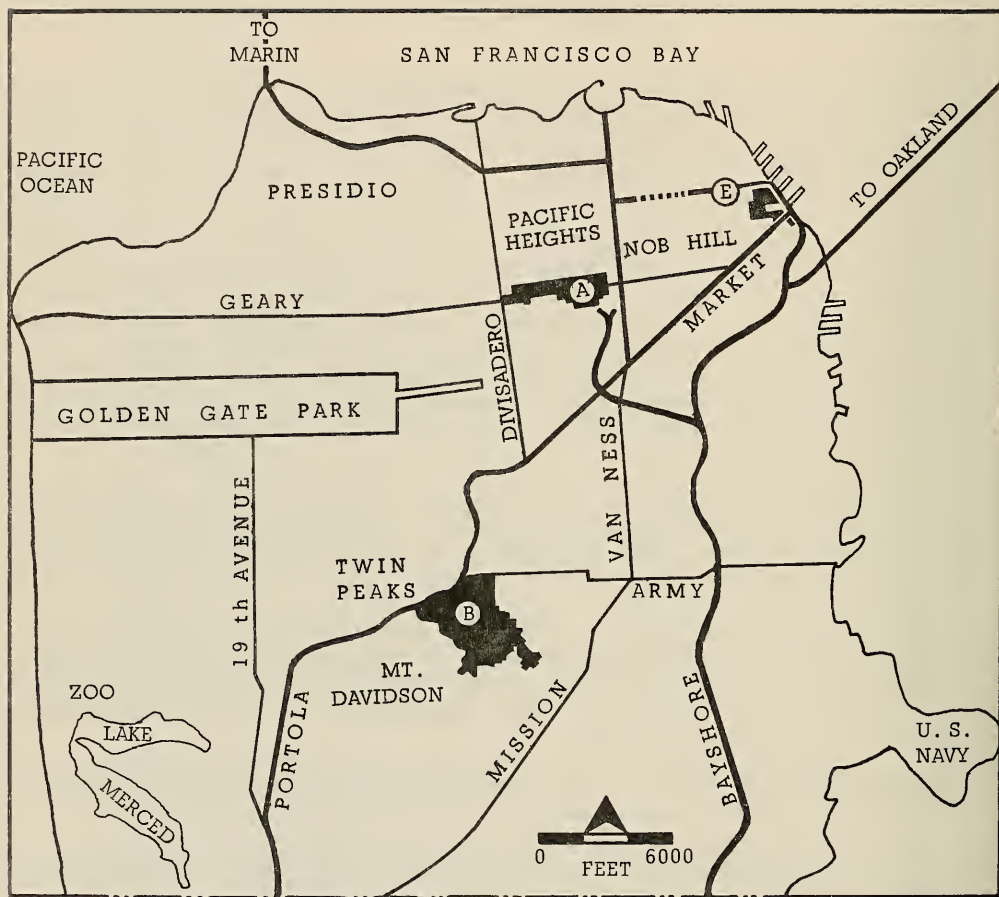
The greater the enforcement of building and housing codes, the greater may be the assurance that redevelopment with its disturbances, extra costs, and delays will not inevitably follow.

Finally, while redevelopment is primarily a matter of blight removal, it will fall short of its potential if it is restricted to the removal of slums and the sale of land without imaginative encouragement of special land uses and civic design emphasis.

With attention to these elements, redevelopment may be expected to make its contribution to San Francisco's reputation as a City of Delight.

October 5, 1960

M. Justin Herman
Executive Director



REDEVELOPMENT PROJECTS:

- (A) WESTERN ADDITION
- (B) DIAMOND HEIGHTS
- (E) GOLDEN GATEWAY

SAN FRANCISCO

This is a report of the San Francisco Redevelopment Agency for the period July, 1959 through June, 1960. Because so many important developments have occurred between the latter date and the publication of this report in early October, 1960, these events have been covered as well.

ANNUAL REPORT

By way of background, it is noted here that under plans publicly scrutinized and approved by the Board of Supervisors, the Redevelopment Agency acquires properties in blighted areas by negotiation or condemnation, paying in all cases fair market value. Residents and businesses are relocated and the blighted structures razed. Land is then sold at fair reuse value in accordance with the approved plan for private development or public facilities. The net cost of this operation in revitalization is shared by the City and County and the Federal Government.

The community objectives toward which the Agency works include blight removal, better quality of relocation housing, a well-balanced housing supply, an increase in tax returns, an improvement in civic design, a contribution to cultural and economic advances, and added public facilities. Except for the core effort of blight removal, these have no special order of importance. They are all interrelated. They are all important.

BLIGHT REMOVAL



In the Western Addition over 650 substandard structures, most of them housing units, have been removed. In the Golden Gateway the task differs because here outworn structures are mostly commercial. The incompatibility of land uses and inadequate street pattern there accentuate the blight that is being removed. Still different is the Diamond Heights area which contained only a few dilapidated structures, but where platting indifferent to streets and terrain caused the area to lie undeveloped and unusable despite the demonstrated need for its use all about it. All three forms of blight the Agency has removed or is removing.

RELOCATION....The Agency has endeavored to help relocate individuals, families and businesses. Certain costs of relocation have been financed by special federal grants. Approximately 650 single individuals and 710 families, as well as 220 businesses were relocated during the past year. Some were assisted by the Agency; many relocated themselves.

The relocation objective is impossible of achievement to the satisfaction of all interested parties. To the family financially rescued from a relatively unsaleable house and then located in a new home of its choosing, relocation works beneficially. To the family that has no choice but decent, safe and sanitary public housing remaining from World War II, relocation may have worked with only marginal acceptability. To families who went back into other slum areas — relocation may be a bitter experience or a satisfactory one, depending respectively in these illustrations on what the family was able to do and what it really wanted to do.

COMMUNITY OBJECTIVES....COMMUNITY OBJECTIVES....COMMUNITY

As for businesses, many have worked out satisfactory relocations. But many, whose economic feasibility is anchored in low rent or low cost structures, have faced and will continue to face severe problems. Likewise, relocation expense allowances for some industries are far from adequate.

A creditable record....Two out of three families are substantially better housed. The creation of a new housing supply of some 7,000 units will undoubtedly have its chain reaction in the existing housing supply and make vacated units available to some of the displaced families. Pilot efforts were launched to create the most moderate priced housing possible in today's market. Public housing resources

have augmented and will again help substantially the limited resources of the private housing market for low and moderate-priced housing.

Relocation is restricted by low economic levels of displaced families. It is further restricted by social behavior and attitudes of some of the displaced and of those who control existing housing resources. No one — in San Francisco or elsewhere — has found single, neat answers to the vexing problems of relocation. However, the Agency seeks to improve this record of relocation. Further attention must be directed to the public housing supply, the restoration and rehabilitation of the existing housing resources, the creation of new housing at moderate cost, and the improvement of relocation techniques.

BALANCED HOUSING SUPPLY....The housing policy of the San Francisco Redevelopment Agency has been established by the Board of Supervisors' Resolution of May 31, 1960, calling on the Agency "to be mindful of the housing needs of all of the citizenry within their financial capabilities and social needs, and seek to devote sites to achieve a community of well balanced housing resources for all families and single persons, including senior citizens, with income above public housing eligibility levels."

In the Golden Gateway, land values, site conditions, proximity to the business and financial center of the city, and other factors dictate the creation of high-rise apartment house structures, of one and two bedroom concentrations, and at upper bracket rentals. Some 2,200 units are in prospect.

In the Western Addition, a more moderate-priced rental supply is in prospect and by deliberate actions of the Agency, one third of the supply there may well be the lowest priced units of good quality that can be produced under private ownership for families with children.

Approximately one third of the residential land has been sold by negotiation only to the developers who demonstrated a willingness to build to attain this particular objective. Some 591 units of cooperative housing, approximately 169 cooperative units restricted to relocation of families displaced by public action, and 194 units of senior citizen housing are in prospect as a result of the sales arrangements made.

... COMMUNITY OBJECTIVES.... COMMUNITY OBJECTIVES.... COMM

At this writing, the marketing program for the Diamond Heights area is being formulated; it will, of course, be designed to meet the objectives declared by the Board of Supervisors to be the policy of the City and County of San Francisco.

CULTURAL CONTRIBUTIONS....Cultural aspects of redevelopment should not be taken for granted, but warrant the encouragement of the Agency. In the Agency's judgment San Francisco is and should continue increasingly to be a delightful community of residence. This means attention to the forces that elevate our intellectual, aesthetic and spiritual life.



Schools, playgrounds, parks, and churches will appear in and about the projects of the Agency. Outdoor sculpture and integrated works of art are treatments which have figured largely in the negotiations and sales of land in the Western Addition and the Golden Gateway. Special recreation and meeting facilities and an art gallery are being seriously discussed in the Golden Gateway negotiations.

More specifically, what might have been simply a commercial objective has been defined by the Agency as both a cultural and trade objective in the negotiated sale of close to three blocks of land in the Western Addition for the Japanese Cultural and Trade Center. Integrity and beauty of design, continuity of cultural exhibits and activities, as well as business considerations, loomed large in the negotiations leading to the authorization in early September to the redeveloper to proceed with this project.



ECONOMIC CONTRIBUTIONS....Land put to higher productive use, served by suitable streets and traffic arteries and adequate parking facilities, is certain to raise the economic level of the community. Of all the land sold or to be sold for redevelopment, ten per cent is for commercial use. But even the part for residential use, representing some 7,000 units, represents directly and indirectly a higher economic level of activity.

Twenty per cent of the acreage to be privately developed in the Western Addition will be devoted to commercial undertakings.

The Golden Gateway will have, in addition to its own convenient shopping facilities, over ten acres devoted to high-rise office buildings. The nearby new housing will strengthen San Francisco's standing as a financial center.

Diamond Heights is predominantly a residential development, but it will also contain a major shopping plaza and smaller neighborhood stores.

COMMUNITY OBJECTIVES....COMMUNITY OBJECTIVES....COMMUNITY

TAX RETURN....In a tax sense, the Agency expects to make redevelopment good municipal "business". The three projects under way promise an annual tax increase conservatively estimated at \$5,000,000 above pre-redevelopment levels. This is an increase of nine times the present tax return, computed at current rates. It should be clear that notwithstanding total net costs of approximately \$23,000,000 (two thirds absorbed by the Federal government and one third defrayed mostly through the financing of public works by the City and County), it will not take San Francisco long to enjoy a rich "profit" from the redevelopment process. All indications are that San Francisco taxpayers' investment in redevelopment will make future taxes less burdensome.

CIVIC DESIGN....Agency policy recognizes that attractive neighborhoods are not likely to "happen". They must be sought after. The Agency has sought the best of public guidance and private initiative and imagination but it has also tried to avoid the arbitrary domination of public control with its minimum of private responsibility. The importance of a policy emphasizing good civic design is critically important in San Francisco, not only for the continued enjoyment of its citizens but as a corollary to its rapidly expanding visitor industry.

This is a delightful city, beautifully situated, and indifference to the design quality of the end products of redevelopment could become an indictment of dereliction of responsibility on the part of the community and its leadership.

In the Golden Gateway, the land marketed is being sold to the developer who, among other commitments, evidences a capacity to achieve the most attractive design for the area. To assist the Agency, an Architectural Advisory Panel has studied proposals, heard redevelopers' presentations, and guided the Agency in an Evaluation Report*. Since the residential sector and the public garage sector with its office building are being sold in separate but large segments, it will be possible to achieve unified and related design treatments.

The objective may be more difficult of attainment in the Western Addition where developers of two-thirds of the residential land are legally obliged to meet only the minimum requirements of the redevelopment plan. There are already as many as sixteen different purchasers of land. However, in cases where land was sold by negotiation to achieve special community objectives, the Agency sought not to compromise on design and appearance. In addition, the major developers and their architects have agreed, voluntarily, to participate in an Advisory Architectural Council for mutual information, evaluation and guidance. This Council has been established by the San Francisco Redevelopment Agency with the cooperation of the Northern California Chapter of the American Institute of Architects.

... COMMUNITY OBJECTIVES....COMMUNITY OBJECTIVES....COMMUNITY OBJECTIVES....

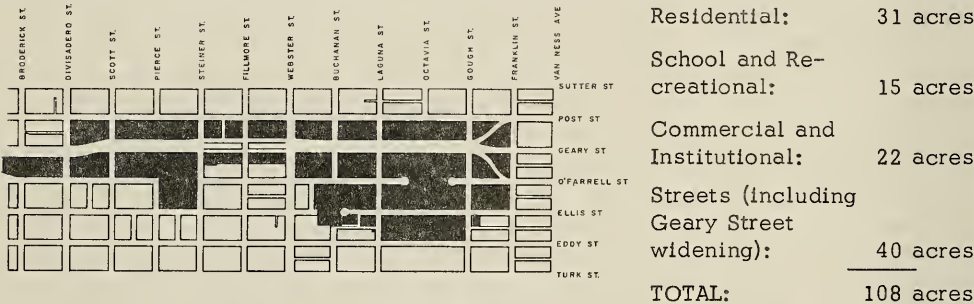
The terrain and site design give Diamond Heights a head start as a neighborhood of beautiful home sites. This fortunate situation will be further exploited by the Redevelopment Agency in some degree of design guidance in the marketing of land.

*Evaluation Report on the Redevelopment of the Golden Gateway, published August 1, 1960, prepared by the Architectural Advisory Panel consisting of Mario J. Ciampi, Architect, FAIA, Chairman; Lawrence B. Anderson, Architect, AIA; Henry S. Churchill, Architect, FAIA; Louis I. Kahn, Architect, FAIA; Morris Ketchum, Jr., Architect, FAIA; Ferd Kramer, Realtor and Mortgage Banker; and Minoru Yamasaki, Architect, FAIA.

WESTERN ADDITION....Is the site of San Francisco's first redevelopment project. Located in the heart of the most extensively blighted area in the city, this project will bring 108 acres of new life into the city. This project will serve as the nucleus for additional projects designed ultimately to renew the entire 680 acres designated for renewal by the Board of Supervisors on October 27, 1958.

Although the new development will be primarily residential in quality, as was the pre-renewal use, seriously needed additions in public facilities and new commercial developments will enrich the fabric of community life. The new Japanese Cultural and Trade Center will make a major contribution to the entire citizenry of San Francisco.

The Redevelopment Plan sets forth the following pattern of land use:



Major progress during the past year puts the project well on its way to completion:

LAND PURCHASE

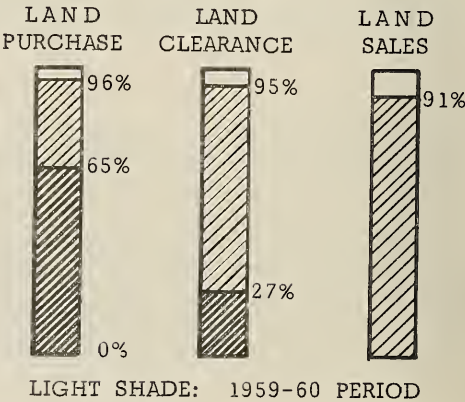
Of the 665 parcels to be bought, the 31 per cent purchased this year brought total acquisition to 96 per cent.

LAND CLEARANCE

Last year 68 per cent of the 665 original structures were demolished. Five per cent remain to be razed to complete clearance operations.

LAND SALES

Marketing operations of the Agency were initiated during the past year, and over 90 per cent of the land, including all major parcels, was sold at the first offerings.

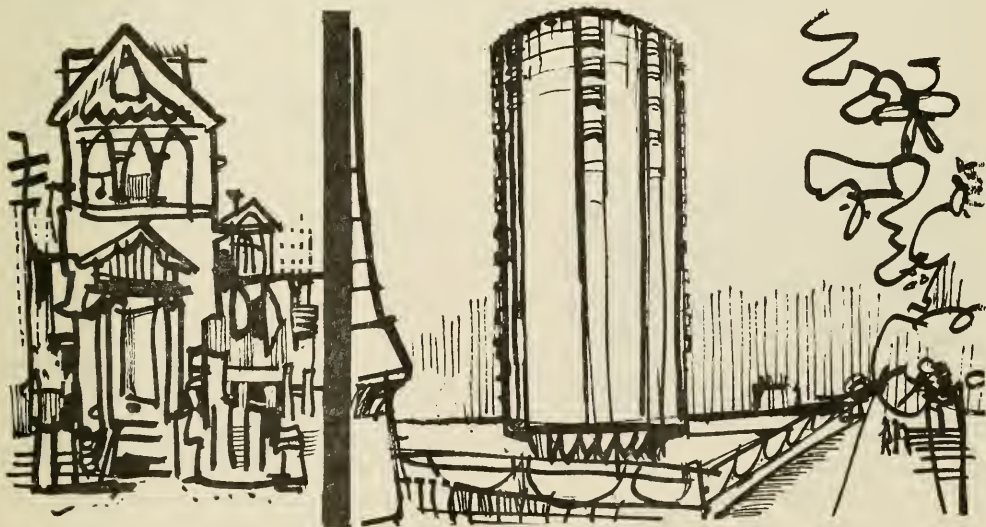


Work on the Geary Street underpass of Fillmore Street was well advanced during the past year. The widening of what will become the Geary expressway and other site improvements are scheduled in the coming year.

In February, 1960, a prospectus was issued inviting two types of bids for land to be sold in the Western Addition. About one-half the net area was offered for sale by sealed bid and auction. Within the framework of the plan, emphasis was placed on the financial return. In May, an auction was conducted for these parcels among those developers who had submitted sealed bids not less than the fair reuse value established by the Agency. Twenty-one parcels were sold at this auction, many only after spirited bidding. The unsold parcels consist of small commercial lots. Subsequent inquiries from prospective buyers indicate that these should be disposed of without difficulty as development advances.

The other half of the area was offered for sale by negotiation. Emphasis was placed on the attainment of the special agency objectives which have been described, such as construction for housing for persons of moderate income. The Japanese Cultural and Trade Center falls within this category. In June, 1960, submissions were received for five groups of parcels to be sold by negotiation. After careful review of the alternative proposals including public hearings, the Agency selected developers for all of these parcels.

In sum, interest and competition was keen for the Western Addition lands offered for sale, and all but a handful of the parcels have been committed for sale. This will allow development of the new buildings in the Western Addition to proceed without loss of time once site work is completed.



GOLDEN GATEWAY . . . Located between the central business district and the Embarcadero, Golden Gateway redevelopment is intended to transform the dilapidating and hazardous produce market area into a viable extension of the city's financial district adjoined by a high quality residential community of approximately 2,200 dwellings designed to embody all the advantages of in-town living at its best. A public garage with a pedestrian mall and office tower on top has been planned to create a point of demarcation between residential areas and commercial areas. Along the Embarcadero, centered on the Ferry Building Tower, will be created Ferry Park, a long sought embellishment for San Francisco. Thus the Golden Gateway consists of four distinct areas not including major streets:



Residential:	16 acres
Garage-Tower:	3 acres
Office-Commercial:	10 acres
Ferry Park:	4 acres
Streets:	12 acres
TOTAL:	45 acres

This project has moved rapidly from planning to execution. Early emphasis has been placed on the residential and garage-tower areas, both of which recently were sold.

During the past year, reuse appraisals were completed. Acquisition, demolition, and relocation were begun and a site office was opened to facilitate these operations. With the aid of a temporarily expanded legal staff, a vigorous program of condemnation is under way.

The work during this past year has been concerned with getting the job organized and under way.

LAND PURCHASE

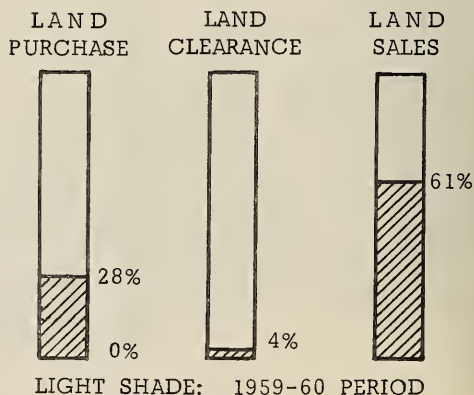
The program of land acquisition was inaugurated during December, 1959. By October 5, 1960, 28 per cent of all parcels had been obtained by the Agency.

LAND CLEARANCE

The first six buildings were torn down as operations began.

LAND SALES

Sale agreements were made on the only portions of the project put on the market. This represented over half of the land to be sold; remaining land has not yet been offered for sale.



Several inquiries have been received regarding the office-commercial area within the Golden Gateway which has not yet been offered for sale. The demand for land of this use appears to be increasing; the Agency will offer this land for sale as soon as the market appears most receptive.

In November, 1959, an impasse was created by the failure of the Ferry Park bond issue. Although a majority favored the Park, it missed by a fraction receiving the necessary two-thirds margin. Nevertheless, at the request of the Mayor, the Agency and the Recreation and Park Department proposed an alternative method of financing the project. The Board of Supervisors approved the proposal and voted in May, 1960, the first of three annual appropriations of \$653,000. This action insured federal participation in the financing of the Park and led to the lifting of restrictions on the acquisition of land adjacent to the Park.



The Golden Gateway is now well on its way. The participation of nine prospective developers in the first land offering constitutes as intense a response as experienced for any project in the United States since the advent of national redevelopment laws. This confidence on the part of knowledgeable investors in the economic strength and growth potential of San Francisco bodes well for the redevelopment program and for the community generally.

While difficulties exist in the scheduling of condemnation cases and in the relocation of displaced businesses, there are no insurmountable problems evident. The Agency has offered its services to the produce market organizations in an attempt to obtain a suitable site for relocation.

Streets inadequate for modern uses, deteriorated buildings, and lack of modern facilities have all contributed to health hazards and congestion. In addition, what was once a good use for the land has become a poor use. The existing buildings in the Golden Gateway do not serve many of the owners and occupants well, and they prevent higher and better tax paying reuses. Redevelopment is the City's action under these conditions. It is taken promptly, but with respect for property rights and maximum help to owners and occupants.



Surplus federal land at Islais Creek has been made available, but was not acceptable to the produce industry without public subsidy. At this writing the industry is negotiating for another site.

In April, a week was devoted to hearings before the Architectural Advisory Panel and the Members of the Agency. Each developer and his architect presented his plan and was questioned by the Panel. During May and June public hearings were held, involving each of the prospective developers, dealing principally with the financial and organizational aspects of the proposals. During the same period, each of the submittals was reviewed with members of key San Francisco departments and agencies to have the advantage of their comments and advice. On August 2, 1960, shortly after publication of the Architectural Advisory Panel's report, the Agency announced that of the eight proposals consideration had been narrowed to the three groups shown below. For the final selection see pages 15 and 16.

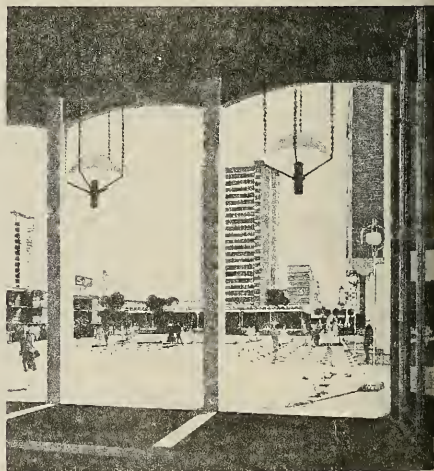
DEVELOPERS: Perini-San Francisco Associates. ARCHITECTS: Wurster, Bernardi & Emmons and DeMars & Reay.

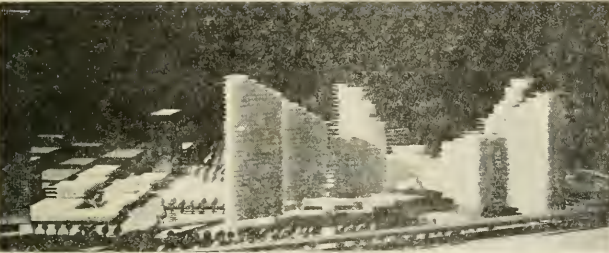


DEVELOPERS: Tishman Cahill Renewal Associates. ARCHITECTS: John Carl Warnecke & Associates, Gardner A. Dailey & Associates, Victor Gruen Associates.

GOLDEN GATEWAY FINALISTS

DEVELOPER: Kern County Land Co. and Del E. Webb Construction Co. ARCHITECTS: Welton Becket & Associates. CONSULTANT: Lawrence Lackey.





DEVELOPERS: Sidney Leiken Enterprises and Theodore G. Meyer & Sons. ARCHITECTS: Jan Lubiez-Nycz, John Collier, Philip Langley.



DEVELOPERS: Utah Construction & Mining Co. and Henry C. Beck Co. ARCHITECTS: Angus McSweeney, Donald Kirby, Loubet & Glynn.

Many fine solutions were offered in the proposals illustrated on these pages and the final choice was an exceedingly difficult one to make.

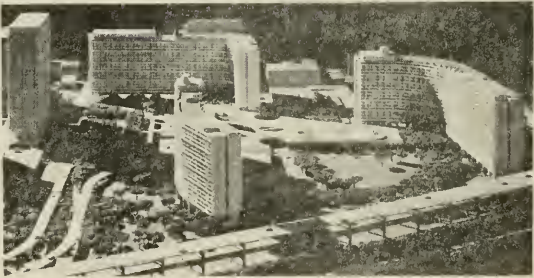


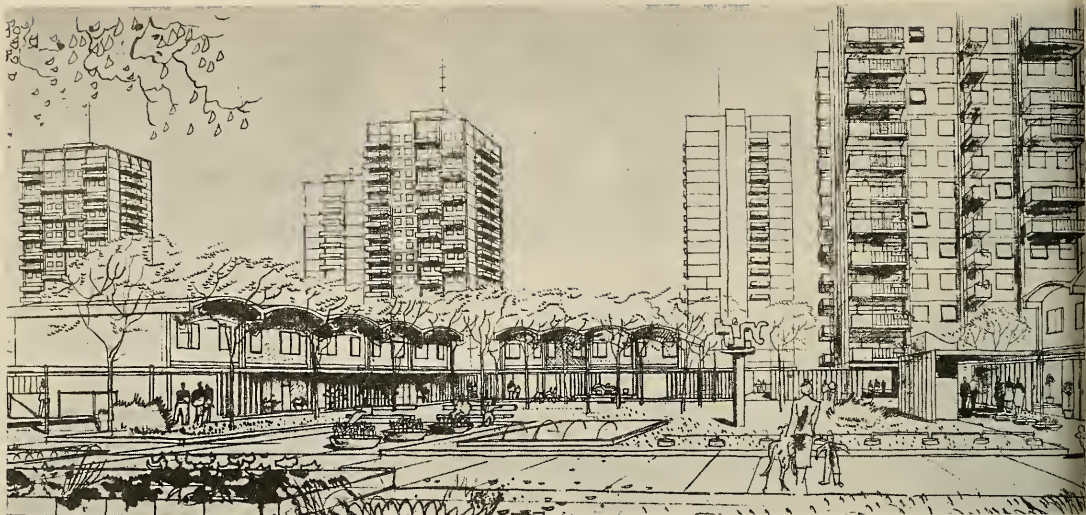
DEVELOPER: Eichler Homes, Inc. ASSOCIATE: Dinwiddie Construction Co. ARCHITECTS: Anshen & Allen.



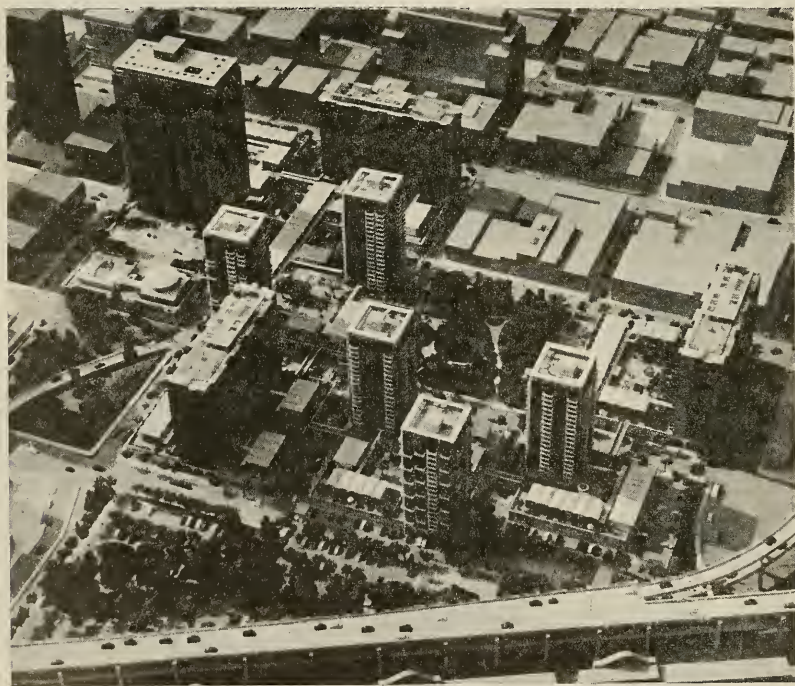
DEVELOPERS: Barrett-Diversified-Lesser - Braemar. ARCHITECTS: Daniel, Mann, Johnson & Mendenhall and Corlett & Spackman.

DEVELOPER: Golden Gateway Center Corp., Lewis E. Kitchen, president. ARCHITECTS: Skidmore, Owings & Merrill.



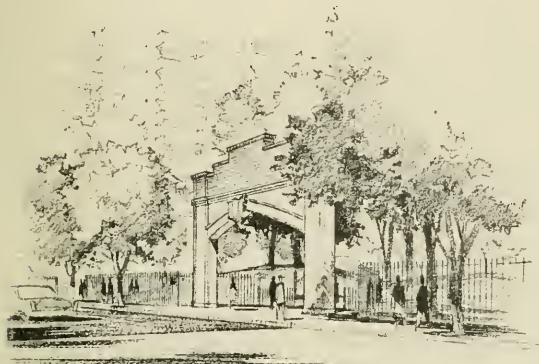


WINNING PLAN FOR GOLDEN GATEWAY.....BY PERINI-SAN FRANCISCO ASSOCIATE



Variety and
continuity, with
garden offices,
"maisonettes."

After two months of discussion and negotiations with the three finalists selected by the Agency Members on August 2, 1960, an announcement was made on October 5, 1960, in favor of Perini-San Francisco Associates for both parcels under consideration. The winning designs were created by architects Wurster, Bernardi and Emmons in association with DeMars and Reay, with consultation by architects Pietro Belluschi and Milton Schwartz, and landscape architects Sasaki, Walker and Associates, Inc. This development calls for the building of 2,174 dwelling units in the residential area, a 1,300-car public parking garage, an office tower above the garage and excellent open spaces both within the residential area and above the parking garage. Perini-San Francisco Associates agreed to pay \$6,000,000 for the 16.3 acre residential area and \$2,590,000 for the 3.4 acre public garage and office tower site.



MEMENTO FROM THE PAST: COLOMBO ARCH

This plan was chosen because it best met the criteria established by the Agency, with particular emphasis on basic design. The design excellence had already been noted by the Agency's Architectural Advisory Panel.

The decision was a difficult one inasmuch as the designs and offers of the two other finalist developers were meritorious. Only through applying all the criteria cited as the basis for selection in the prospectus issued in September, 1959, was the Perini group singled out for the award.

It is estimated that the total development cost for both areas will be over \$60,000,000. As presently conceived, 93 per cent of the apartments will have two bedrooms or less with rents ranging between \$110 and \$290. The office building will contain approximately 371,000 square feet of floor space. A special feature of the garage roof will be the use of this space for one story courtyard offices on the west side of the office-tower and a swimming pool on the tower's east side.

Particularly well received and commended is the establishment of a one-block, privately maintained park in the residential area. This park will help tie the new Golden Gateway into the surrounding portions of the City and will serve as a focal center for the necessary shopping and community facilities of this neighborhood.

Time required to acquire and demolish the blighted structures in the Golden Gateway will be used by the developer to perfect detailed plans and specifications. The developer proposes to construct the residential development in three overlapping eighteen month phases. Construction work will start when title is made available and should be completed three and one-half years after the site has been cleared.

DIAMOND HEIGHTS . . . This area is one of the very few major "open land" projects being undertaken in the U.S.A. Located on three of San Francisco's most spectacular hill sites, private development has been impossible until now because of faulty platting, the use of a grid street layout, and the prohibitive cost of utilities. By using the redevelopment process, this valuable area can now be used to add to San Francisco's housing supply.

An entire residential neighborhood will be created providing homes for up to 8,000 persons in housing types ranging from detached homes to tower apartments. All utilities are being installed underground. The new development includes provision for a full range of community facilities including schools, parks, shopping facilities, a library, churches and other institutions. Development of the seventy-acre Glen Canyon Park and Playground will make a major contribution to the City's recreation facilities. The Redevelopment Plan calls for the reuse of land in accordance with the following allocation:



Residential:	140 acres
Schools & Playgrounds:	46 acres
Glen Canyon Park and Playground:	70 acres
Commercial and Institutional:	9 acres
Streets and Public Paths:	66 acres
TOTAL:	331 acres

Since this project served to test the constitutionality of the California redevelopment laws, project execution has long been delayed. But with this task behind, progress has been rapid over the past year. The rapid phasing of this project into site preparation is summarized in the following tables:

LAND PURCHASE

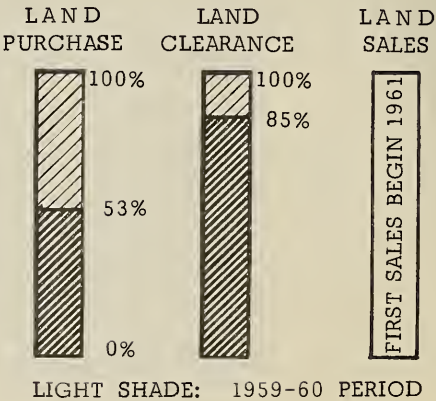
Land assembly was completed last year with purchase of all remaining parcels amounting to 47 per cent of the 608 properties.

LAND CLEARANCE

Clearance operations were finished with the leveling of the last seven buildings. Site preparation work began in March, 1960, as the necessary prelude to land sale offerings.

LAND SALES

Land sales will be inaugurated during the first part of 1961.





Site improvements at Diamond Heights, the City's open land redevelopment project, will be completed for offerings of land scheduled about the end of the year. The Red Rock Hill section (in the foreground) will be sold first; later, Gold Mine Hill (center and highest elevation) and Fairmount Hill (left of center) will be sold. The three hill areas contain approximately 55 acres each.

In its return to the City, this project will be unique in that the City will gain more than its costs, with the difference to be used to help defray the net costs of other projects. The expensive job of earthmoving will be repaid many times both in the additions of new homes and in an increased tax base for San Francisco.

STAFF REORGANIZATION.....

There was a complete reorganization of staff to clarify lines of responsibility as a major step in program acceleration. Under the reorganization, six Division Chiefs report directly to the Executive Director. There is extensive delegation of authority. In addition to the Executive Director, appointments were made in several key positions. The Agency was able to be highly selective in these appointments.

Administrative Division
Real Estate Division
Relocation Division
Fiscal & Statistical Division
Engineering Division
Planning Division

PERSONNEL....New positions considered essential for efficient acceleration of the Agency program were authorized and staffed in the Administrative Division, Engineering Division and in the Planning Division. Completion of project contacts and relocation activity in the Western Addition led to the closing of its site office and allowed some reductions in staff. The total staff, including City employees on work order, as of September, 1960, consisted of 51 persons as compared with 42 in June, 1959. A site office was opened at 327 Front Street in the Golden Gateway area as relocation and clearance activities moved into high gear.

FINANCIAL PROCEDURES....A review of procedures in the handling of Agency funds resulted in the establishment of a policy involving the short term investment of funds not immediately required. This new process has resulted in earnings of over a quarter of a million dollars during the past year.

THE INTER-AGENCY COMMITTEE ON URBAN RENEWAL....This Committee consists of representatives of all City departments and agencies whose functions have some immediate and direct relationship with urban renewal. The Committee coordinates the efforts to eliminate blight in San Francisco. The Committee is charged with responsibility of developing effective policies and putting them into action. The Redevelopment Agency continued its active participation in

AGENCY OPERATIONS....AGENCY OPERATIONS....AGENCY OPERATIONS

the affairs of the Inter-Agency Committee. The Redevelopment Agency assisted in the preparation of the City's annual Workable Program which constitutes a plan of action for all City agencies. The Workable Program is a prerequisite for continued federal assistance in local redevelopment and renewal activities.

PARTICIPATION IN RENEWAL AFFAIRS....The Members of the San Francisco Redevelopment Agency and the Executive Director were active in explaining the role of urban renewal in San Francisco. The Agency continued to work closely with a number of citizen organizations whose activities are essential to the success of the urban renewal program in San Francisco.

All citizens were urged to participate through these or other organizations in the revitalization of their city:

The San Francisco Planning and Urban Renewal Association	
The Downtown Association	The San Francisco Junior Chamber of Commerce
The Council For Civic Unity	Neighborhood associations
Professional organizations	The San Francisco Chamber of Commerce

IMPROVED TOOLS FOR URBAN RENEWAL....The Redevelopment Agency participated actively in efforts to develop more effective and efficient tools to eliminate blight. Staff members contributed to or are scheduled to participate in major conferences including the Governor's Conference on Housing held in Los Angeles in June, 1960, and the annual meeting of the National Association of Housing and Redevelopment Officials held in Detroit, October 5, 1960.

The continuing search for improved redevelopment procedures prompted the Agency to support federal legislation which would:

- (1) Increase relocation payments for businesses where present schedules result in substantial hardship.
- (2) Allow higher mortgage ceilings for the construction of cooperative residential developments within redevelopment areas.

State legislation to streamline existing statutory procedures will also be sought.

NEW PROJECT PLANS....The Board of Supervisors of the City and County of San Francisco appropriated \$8,870 for the study and preparation of an application for a federal advance to prepare detailed plans for additional redevelopment within the designated Western Addition Area. With the assistance of the City Planning Department, such an application has been prepared and is now being discussed with the federal agency having jurisdiction over such assistance, prior

OPERATIONS....AGENCY OPERATIONS....AGENCY OPERATIONS....A

to submission to the Board of Supervisors for official consideration. Revived interest in the blighted areas south of Market Street on the part of both private citizen groups and public officials has fostered a review of past studies and a re-evaluation of need for redevelopment techniques in this close-in commercial and industrial area.

SUMMING UP....After years of planning and getting the machinery in order, this past year has been one of substantial visible progress. The physical work which is the necessary prelude to bringing over 7,000 new dwelling units plus commercial growth into San Francisco was under way at an accelerating pace. Each of the Redevelopment Agency's three current projects can now be seen in transformation.

Besides acquisitions, clearance and land preparation, little time was lost in marketing operations. Where possible, these functions were carried out concurrently. The initial success in these efforts means that the impetus gained in this last year may be kept in the final phases of the redevelopment process.

The accomplishments of this last year are the product of numerous efforts. The groundwork of past years and the positive cooperation found in the agencies of both Federal and City government have been essential in getting the job done. Without this will to constructive achievement, the progress made would have been impossible.

The initial goals are now in view. When completed, the current projects will have replaced 3,500 slum units with twice as many new homes of every variety. Besides offering a better life, the redevelopment process carries the promise of bringing new social health, urban beauty, commercial activity, property values and a sounder economic base for San Francisco. It is to these ends that the program described will be vigorously directed in the coming years.

This has been a year of real progress — a year of closing in on our widespread objectives — and also a year in which we have identified areas requiring greater attention and effort on the part of the community as well as the Agency.

GETTING DONE....REDEVELOPMENT IS A JOB THAT IS GETTING DONE



September 1, 1959	Establishment of Planning and Urban Renewal Association.
September 8, 1959	GOLDEN GATEWAY prospectus issued. Invitations to bid on residential and garage-tower land invited.
October 13, 1959	Procedures initiated for making more public housing available for relocation of displaced families.
December 15, 1959	Sale of land to owner participants in WESTERN ADDITION.
February 23, 1960	Demolition of buildings in GOLDEN GATEWAY authorized by Agency.
February 29, 1960	WESTERN ADDITION prospectus issued. Invitations to bid on all parcels invited.
March 1, 1960	DIAMOND HEIGHTS site preparation contract awarded.
March 8, 1960	Nine proposals received for GOLDEN GATEWAY residential area and four for garage-tower area.
March 15, 1960	Agency initiated steps for raising statutory limits of relocation payments for businesses.

RIGHTS OF THE AGENCY YEAR....HIGHLIGHTS OF THE AGENCY YEAR

April 25 - 28, 1960	Public hearings by Agency and its Architectural Advisory Panel on architectural aspects of GOLDEN GATEWAY proposals.
May 10, 1960	In recognition of its housing program, the Agency adopted on its seal the motto:

Omnes Habitare in Urbe
Sancti Francisci Volunt

referring to the well known fact that everybody wants to live in San Francisco.

May 24, 1960

Twenty-one parcels of land sold in WESTERN ADDITION land sale by sealed bid followed by auction.

May 31, 1960

Board of Supervisors established community policy on use of redevelopment sites for advancement of well balanced housing supply for all families including single persons.

June 1, 1960

Ferry Park financing assured when Board of Supervisors approved first of three annual appropriations of \$653,000 to be earmarked as City's share of Ferry Park development.

June 21, 1960

Bids received on all parcels of WESTERN ADDITION land to be sold by negotiation.

June 28, 1960

Agency agreed to sell land in WESTERN ADDITION to California Lutheran Homes for senior citizen apartments.

August 1, 1960

Report of Architectural Advisory Panel on GOLDEN GATEWAY released to public.

HIGHLIGHTS OF THE AGENCY YEAR....HIGHLIGHTS OF THE AGENCY

August 2, 1960

Agency narrowed selection of GOLDEN GATEWAY developer to three redevelopers:

Del E. Webb Construction Co.
and Kern County Land Company.
Tishman-Cahill Renewal Assoc.
Perini-San Francisco Associates.

August 16, 1960

Agency agreed to sell land in WESTERN ADDITION to ILWU Re-development Corporation for co-operative apartment development with moderate monthly charges. In the same Project, Agency also agreed to sell land to Barton-Western Associates for apartment development with priority preference for relocation families, and to Gough-O'Farrell Community Housing, Inc., for a high-rise cooperative apartment building with moderate monthly charges.

September 6, 1960

Agency agreed to sell land in WESTERN ADDITION to National-Braemar, Inc., for development of a Japanese Cultural and Trade Center.

October 5, 1960

Agency announced that Perini-San Francisco Associates was selected as developer of the residential and public garage-tower portions of the GOLDEN GATEWAY. The Developers agreed to pay \$6,000,000 for the 16.3 acres of residential land and \$2,590,000

RIGHTS OF THE AGENCY YEAR....HIGHLIGHTS OF THE AGENCY YEAR

for the 3.4 acres of the public garage-tower site.

AGENCY BUDGETED EXPENDITURES

(000's)

	TOTAL	DIAMOND HEIGHTS	WESTERN ADDITION	GOLDEN GATEWAY
<u>Agency Expenditures</u>				
Planning, Legal & Administrative	\$ 2,810	\$ 1,111	\$ 939	\$ 760
Real Estate Purchases & Expenses	37,606	2,135	15,428	20,043
Site Clearance & Improvements	7,215	4,520	986	1,709
All Others	3,153	976	932	1,245
TOTAL	\$ 50,784	\$ 8,742	\$ 18,285	\$ 23,757
City Expenditures	9,033	3,116	3,678*	2,239*
Gross Project Cost	\$ 59,817	\$ 11,858	\$ 21,963	\$ 25,996
Less: Proceeds from Project Land	33,709	7,326	9,836	16,547
Net Project Cost	\$ 26,108	\$ 4,532	\$ 12,127	\$ 9,449
Federal Project Grant	\$ 16,667	\$ 1,230	\$ 8,450	\$ 6,987
City Minimum Share	\$ 8,703	\$ 1,511	\$ 4,042	\$ 3,150
City Share Available	\$ 9,442	\$ 3,302	\$ 3,678	\$ 2,462
City (Shortage) or Surplus	\$ 739	\$ 1,791	(\$ 364)	(\$ 688)

*Does not include any estimate for public parking garages.

MAR 8 1960

SAN FRANCISCO

ANNUAL REPORT

TO

MAYOR GEORGE CHRISTOPHER

For the Year July 1, 1960 to June 30, 1961

REDEVELOPMENT AGENCY

OF THE

CITY AND COUNTY OF SAN FRANCISCO

Everett Griffin, Chairman

Walter F. Kaplan, Vice Chairman
James B. Black, Jr.

James A. Folger
Lawrence R. Palacios

M. Justin Herman, Executive Director

525 Golden Gate Avenue, San Francisco 2, California

GENERAL

During the 1960 fiscal year strong advances were made in all three of the redevelopment projects that are in execution. In addition, upon recommendation of the Mayor and following provision of necessary funds by the Board of Supervisors, preliminary work was undertaken by the Agency in the second Western Addition Project and in a South of Market Project.


Problems arose during the year, but with the assistance of the Mayor's Office, City Departments and others, these problems were largely resolved. The outstanding residual problem was the continuing inability of the produce industry to reach agreement among its members on the proposed relocation to Islais Creek.

Emerging as the year ended was the fact that because of the high cost of land and construction in San Francisco and the high cost of mortgage financing, new dwelling units to be constructed in project areas would generally be beyond the reach of families with gross incomes of less than \$10,000 per year.

The Agency has cooperated with the Federal government and the City and County to aid the produce industry achieve the goals it set for itself, but it must leave the business decisions to the industry itself. In the field of housing for families of moderate incomes, the Agency feels that it must continue to exercise its pioneering role and will do so in the

ensuing fiscal year and for as long thereafter as may be necessary to achieve adequate solutions. The possibility of success in this area was markedly enhanced this year by new State and Federal legislation which for the first time made available to communities tools to create housing for families of moderate income and in general a better balanced supply of housing in redevelopment project areas.

A report follows on each of the projects in which the Agency is working.

A handwritten signature in dark ink, appearing to read "M. Justin Herman", is written over a faint, circular official stamp. The signature is fluid and cursive.

M. Justin Herman
Executive Director

WESTERN ADDITION PROJECT AREA NO. A-1

LAND ACQUISITION

Over 660 parcels to be acquired by the Agency in this project have been purchased. The status of the three remaining parcels yet to be acquired is as follows:

Block 701, Lot 20 - (Debs) The purchase price for this parcel has been negotiated and the deed is in escrow pending determinations to be made in connection with the Japanese Cultural and Trade Center and the public garage planned for the site.

Block 723, Lot 1 - (Manwell) Still in litigation. The State Supreme Court has denied a petition for a hearing from the decision of the District Court of Appeal. The matter will be set for retrial unless the property owner reaches a settlement with the Agency.

Block 1099, Lot 2 - (Lewis) Re-appointment of a guardian is now being sought by the attorney for one of the owners. The purchase price has been fully negotiated but acquisition cannot be accomplished until a guardian is appointed and a court order issued for the disposal of the property to the Agency.

LAND DISPOSITION

Three small commercial parcels located on Peter York Way will be sold by sealed bid and auction on September 19, 1961. The remainder of the

project has been sold to the following developers for the uses and amounts as indicated:

<u>PURCHASER</u>	<u>PROPOSED USE</u>	<u>SALES PRICE</u>
City and County of San Francisco	Hamilton Playground expansion	\$ 388,970
Jones Memorial Methodist Church	Parking	14,175
City and County of San Francisco	Playground	257,350
Salvation Army	Married student residence	16,500
Roman Catholic Welfare Corporation	School expansion	56,718
St. Marks Lutheran Church	Expansion of church facilities	9,625
First Unitarian Church	Church facilities	71,750
City and County of San Francisco	Geary-Webster widening	2,379,385
Western Addition Syndicate	High and low-rise housing	1,264,672
Eichler Homes, Inc.	High and low-rise housing	1,437,315
Shell Oil Company	Service station	113,020
Robert L. Chan	Expansion of cleaning plant	22,100
Jones Memorial Methodist Church	Cooperative housing, elderly housing sanctuary	77,000
Texaco, Incorporated	Service station	152,000
Chevra-Kadisha Sinai Memorial Chapel, Inc.	Mortuary parking	49,725
Boas Pontiac	Plant expansion	<u>38,880</u>
	Carried forward	\$ 6,349,185

<u>PURCHASER</u>	<u>PROPOSED USE</u>	<u>SALES PRICE</u>
	Brought forward \$	6,349,185
Kaiser Foundation Hospitals	Out-patient clinic	142,387
Post-Scott Medical Building	Medical office building	63,559
Post-Divisadero Corporation	Medical office building	73,630
Post-Divisadero Professional Center	Medical office building	224,921
Roman Catholic Welfare Corporation	Expansion of school	19,350
Central Convalescent Homes, Inc.	Nursing home	79,196
National Braemar, Inc.	Public garage and Japanese Cultural and Trade Center	1,141,076
ILWU-Longshoremen Redevelopment Corporation	Moderate priced housing	826,867
Barton-Western Development Company	Relocation housing	224,084
Gough & O'Farrell Community Housing, Inc.	High-rise apartments	183,500
California Lutheran Homes, Incorporated	Housing for senior citizens	123,822
Barton Development Corporation	Market	236,478
Debs Department Store	Retail store	31,635
Richard Lieberman	Medium density housing	<u>99,659</u>
	Return from the sale of land	\$ 9,819,349
	Minimum prices for parcels	
	C-1, C-2 and C-3a yet to be sold	<u>241,531</u>
	Gross return from the sale of the project land	\$ 10,060,880

The total return from the sale of land exceeds the Agency's estimate of \$9,836,000 by \$224,880.

PROJECT DEVELOPMENT

Five developers have applied for and received feasibility letters from the Federal Housing Administration and are now in the process of preparing detailed plans and applications for mortgage insurance. Construction of the Post-Divisadero Medical Office Building and the Cathedral Parish Parochial School started in May and June, 1961 respectively. Both are scheduled for completion in the Fall of 1961.

NOTE: Eichler Homes, Inc., has arranged conventional financing for its first units, and construction started on September 11, 1961.

FILLMORE UNDERPASS AND GEARY STREET WIDENING

Work by the City and County of San Francisco on the Fillmore underpass has been substantially completed, and work on the Geary widening within the project area is scheduled for completion by October 20, 1961. The City and County is closing off portions of other streets as provided for in the amended Redevelopment Plan for the project to create super-blocks free from vehicular noise and to provide added safety for children. Upon completion of the Geary widening, conveyance of bordering properties to developers will be facilitated.

DIAMOND HEIGHTS PROJECT
AREA B-1

SITE IMPROVEMENTS

Site improvements for the project area will be substantially completed in November, 1961.

LAND DISPOSITION

Approximately fifteen per cent of the saleable area in the project area has been sold. Three church sites have been sold at fair market value. In the conduct of this sale, six churches competed for the three sites. In resolving the allocation of the sites, the Agency recommended and the churches accepted a technique of voluntary selection among themselves. The six churches awarded the privilege of buying the sites to St. Nicholas Syrian Antiochan Church, St. Aidan's Episcopal Church and the California-Nevada District of the Lutheran Church.

In February, 1961, the Agency opened its second major experiment with competitions as a means to achieve excellent design for the project. A nation-wide contest to obtain the best possible schematic designs for the 22-acres constituting Red Rock Hill was sponsored by the Agency in cooperation with the Northern California Chapter of the American Institute of Architects. In June, 1961, a panel of Bay Area Architects and Builders reviewed 91 submissions and selected ten design concepts on the basis of superior design and suitability to the site.

LAND DISPOSITION (Cont'd)

An award of \$1,000 to each of the ten was made by the Agency. From the ten designs selected by the Panel, the Members of the Agency selected four designs. The sale of the 22 acres will be held on October 24, 1961, by straight auction bidding and as a condition of sale, the developer must choose one of the four designs selected by the Agency and develop the area in accordance therewith.

Land planning and landscape architectural consultants have been engaged to study and recommend a unified design of the 22 acres community facilities center to serve the area. The study includes site layout relationships of the school, library, church, playground, commercial and public plazas, and will contain recommendations on the design features and the areas to be allotted to each. The sale of this area will be announced prior to the end of the year.

EMBARCADERO-LOWER MARKET PROJECT
AREA E-1
(Golden Gateway)

Farini-San Francisco Associates and the Agency are pursuing a schedule which looks to conveyance of the first two blocks (Nos. 198 and 199, bounded by Jackson, Washington, Battery and Davis Streets) for residential development on March 1, 1962, if not impeded by delayed relocation of the produce market. If the schedule can be met, construction will start in April, 1962.

LAND PURCHASES

Including the Ferry Park area, there are 176 parcels to be acquired. The Agency has acquired or is closing 138 parcels.

SITE CLEARANCE

There are 27 buildings demolished, plus 21 buildings under contract for demolition. Buildings on 32 parcels owned by the Agency and occupied by produce merchants can be placed under demolition contract as soon as relocation of the produce market is accomplished.

WESTERN RELOCATION PROJECT AREA 3-2

With funds provided by the City and County of San Francisco, the Agency prepared an Application for survey and Planning funds to the Federal Government in the amount of \$477,000 to prepare plans for a 62 block project in the Western Addition Redevelopment Area.

NOTE: The Federal Government has offered a contract which was accepted by the Board of the Agency on September 5, 1961. The contract is now pending approval of the Board of Supervisors.

Formulation of an acceptable relocation program required by the Federal government is to be scheduled in early 1962. All planning for the project is scheduled for completion by September 30, 1962.

The Federal government has allocated \$10,445,000 as a project capital grant and \$800,000 as a relocation grant.

SOUTH OF MARKET PROJECT

With funds provided by the City and County of San Francisco, the Agency is preparing an application for survey and planning funds to the Federal government for a project in the South of Market area. This will be submitted to the Board of Supervisors for consideration and approval at an early date.

Approval by the Board of Supervisors of this application will also require the designation of the area as a redevelopment area making the necessary findings of blight as required by the California Community Redevelopment Law.

